

to the Committee on the Post Office and Post Roads.

1553. Also, resolution of the California Assembly, Resolution No. 4, relative to memorializing Congress to allocate housing appropriations upon the basis of need and of present population; to the Committee on Public Buildings and Grounds.

1554. Also, resolution of the California Assembly, Joint Resolution No. 12, relative to protein feed concentrates; to the Committee on Agriculture.

1555. Also, resolution of the California Assembly, Joint Resolution No. 10, relative to a proposed conference for the prevention of juvenile delinquency; to the Committee on the Judiciary.

1556. Also, resolution of the California Assembly, Joint Resolution No. 13, relative to the use of the aircraft carrier *Saratoga* as a national shrine or its assignment for some other useful purpose in the San Francisco Bay area; to the Committee on Naval Affairs.

1557. By Mr. WOLCOTT: Petition of 14 residents of Melvin and Almont, Mich., expressing their opposition to the proposed legislation for compulsory military training; to the Committee on Military Affairs.

## SENATE

WEDNESDAY, FEBRUARY 13, 1946

(Legislative day of Friday, January 18, 1946)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Dr. Oscar Fisher Blackwelder, pastor of the Lutheran Church of the Reformation, Washington, D. C., offered the following prayer:

God of our fathers and our God, we would pause at this noonday hour to place ourselves in harmony with Thy purposes for us, for our Nation, and for this hour of destiny.

Thou who art the fountain of goodness, grant us strength of character and health of mind and heart.

Thou who art the source of wisdom, give to the Congress, to the President, and to all in authority Thy guidance and the increasing understanding of Thy purposes for our country.

Thou who art the Saviour of the world, save us from choosing the lesser and lower ways of life; save us as men and as a nation by the power of Thy outpoured life.

We ask our prayer in Jesus' holy name. Amen.

### THE JOURNAL

On request of Mr. HILL, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Saturday, February 9, 1946, was dispensed with, and the Journal was approved.

### MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 5158) re-

ducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes.

The message also announced that the House had passed a bill (H. R. 5060) to amend section 1 of the act entitled "An act to fix the salaries of officers and members of the Metropolitan Police force, the United States Park Police force, and the Fire Department of the District of Columbia," approved May 27, 1924, in which it requested the concurrence of the Senate.

### ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (H. R. 5158) for reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes, and it was signed by the President pro tempore.

### ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED DURING THE RECESS

Under authority of the order of the Senate of the 9th instant,

The PRESIDENT pro tempore announced that on February 12, 1946, he signed the following enrolled bills and joint resolutions, which had been previously signed by the Speaker of the House of Representatives:

S. 314. An act for the relief of Sigurdur Jonsson and Thorolína Thordardóttir;

S. 1101. An act for the relief of the estate of Manuel Rose Lima;

S. 1405. An act to authorize the President to retire certain officers and enlisted men of the Navy, Marine Corps, and Coast Guard, and for other purposes;

S. J. Res. 105. Joint resolution to provide for proceeding with certain rivers and harbors projects heretofore authorized to be prosecuted after the termination of the war; and

H. J. Res. 316. Joint resolution making an additional appropriation for the fiscal year 1946 for readjustment benefits, Veterans' Administration.

### ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on February 12, 1946, he presented to the President of the United States the following enrolled bills and joint resolution:

S. 314. An act for the relief of Sigurdur Jonsson and Thorolína Thordardóttir;

S. 1101. An act for the relief of the estate of Manuel Rose Lima;

S. 1405. An act to authorize the President to retire certain officers and enlisted men of the Navy, Marine Corps, and Coast Guard, and for other purposes; and

S. J. Res. 105. Joint resolution to provide for proceeding with certain rivers and harbors projects heretofore authorized to be prosecuted after the termination of the war.

### INDEPENDENT OFFICES APPROPRIATIONS, 1947

The PRESIDENT pro tempore. The Chair will state that the unfinished business of the Senate is the independent offices appropriation bill. By reason of the failure of the committee to look into one paragraph of the bill, it will be necessary for more proof to be taken, and the Chair asks unanimous consent of the Senate that the bill may go over until Friday at noon.

Mr. HILL. Mr. President, in view of the statement of the distinguished Presiding Officer, who is also acting chairman of the Appropriations Committee, it is my intention to move a recess, unless Senators desire to present matters for the Record or transact routine business and not to proceed with the consideration of the appropriation bill.

The PRESIDENT pro tempore. Is there objection to the request that the unfinished business go over until Friday at noon? The Chair hears none, and it is so ordered.

### EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

### AUTHORITY FOR PERFORMANCE OF CERTAIN FUNCTIONS AND ACTIVITIES OF THE STATE DEPARTMENT

A letter from the Secretary of State, transmitting a draft of proposed legislation to provide basic authority for the performance of certain functions and activities of the Department of State (with accompanying papers); to the Committee on Foreign Relations.

### REPORT OF ARCHIVIST OF THE UNITED STATES

A letter from the Archivist of the United States, transmitting, pursuant to law, the eleventh annual report of the Archivist of the United States for the fiscal year ended June 30, 1945 (with an accompanying report); to the Committee on the Library.

### STATEMENT OF COSTS, CANCELLATIONS, AND MISCELLANEOUS DATA OF INDIAN IRRIGATION PROJECTS

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, the annual statement of costs, cancellations, and miscellaneous irrigation data of Indian irrigation projects for the fiscal year 1945 (with an accompanying statement); to the Committee on Indian Affairs.

### PETITIONS AND MEMORIAL

Petitions and a memorial were laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

A resolution adopted by San Francisco Lodge, No. 63, International Association of Machinists, San Francisco, Calif., protesting against the enactment of the so-called Case antistrike bill; to the Committee on Education and Labor.

A letter in the nature of a petition from Lillian Marcineak, of Detroit, Mich., praying for the immediate discharge of married men from the armed forces; to the Committee on Military Affairs.

A letter in the nature of a petition from Ford Local No. 600, UAW-CIO, Political Action Committee, of Dearborn, Mich., praying for the enactment of Senate bill 101, the Fair Employment Practice Act; ordered to lie on the table.

### GEN. OMAR BRADLEY—RESOLUTION OF VETERANS OF FOREIGN WARS, EMPORIA, KANS.

Mr. REED. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the Record a resolution adopted by members of the Lowry-Funston Post, No. 1980, Veterans of Foreign Wars, Emporia, Kans. The resolution commends Gen. Omar Bradley in his efforts in changing the operation of the Veterans' Administration, and condemns the recent attacks upon General Bradley.

There being no objection, the resolution was received, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Whereas a seemingly unwarranted attack has been launched against Gen. Omar Bradley, able head of the Veterans' Administration, by a private individual with all the ardor and fervency of a Caesar Petrillo; and Whereas this post of the Veterans of Foreign Wars, after much experience and close contact with the work of General Bradley, a daily office routine in fact: Be it

*Resolved by Lowry-Funston Post, No. 1980,* That we do hereby commend Gen. Omar Bradley for his successful and commendable changes in the Veterans' Administration, which he introduced and secured by congressional action; be it

*Resolved,* That it is the considered judgment of the overseas veterans of the Spanish-American War, World War I, and World War II, here assembled, that General Bradley is using the same sound and conservative judgment in the care of returning veterans, in the securing of their inalienable rights in peace as in war, in seeing that their general welfare, their rehabilitation rights are firmly established, and that the boys are again positioned to enjoy life, liberty, and the pursuit of happiness equal to the place they occupied in the community before donning the uniform. These boys made the sacrifice of jobs, property, schooling, and society to enter service, and they bore the brunt of battle and its attendant ills and have a just claim to a fair start in returning to civilian life; and since General Bradley personalizes these rights; be it

*Resolved,* That we condemn all charges hurled against him from the side lines and rear echelons by private individuals, whatever the capacity of their vocal chords; and be it further

*Resolved,* That copies of this resolution be mailed to President Truman and all members of the Kansas congressional delegation.

#### LETTER AND RESOLUTIONS OF ARIZONA STATE FEDERATION OF LABOR

Mr. McFARLAND. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD a letter I received from the Arizona State Federation of Labor, signed by Wade Church, together with copies of resolutions adopted at the thirty-fourth annual convention of that organization held in Phoenix, Ariz., on October 18, 19, and 20, 1945.

The PRESIDENT pro tempore. Without objection, the letter and resolutions will be received, printed in the RECORD, and appropriately referred.

To the Committee on Banking and Currency:

ARIZONA STATE FEDERATION OF LABOR,  
Phoenix, Ariz., December 12, 1945.

Hon. E. W. McFARLAND,

United States Senate, Washington, D. C.

DEAR SENATOR McFARLAND: We are enclosing herewith copies of Resolutions 9, 10, 14, 16, 17, 18, 38, and 42, adopted at the thirty-fourth annual convention of the Arizona State Federation of Labor, held in Phoenix, Ariz., on October 18, 19, and 20, 1945.

Yours very truly,

WADE CHURCH,  
Secretary-Treasurer.

#### "Resolution 38"

"Whereas under public law passed by the Federal Legislature returning veterans entitled to start or continue their education in a high school, college, or university of their choice; and

"Whereas many of them as returning veterans are entitled to start or continue their

education in a high school, college, or university of their choice; and

"Whereas many of the veterans are married and have families; and

"Whereas many of the schools are located in places that do not have sufficient housing for said veterans and their families: Be it

*Resolved,* That the Arizona State Federation of Labor here assembled recommend to the Federal, State, and municipal government that all in their power be done to have low-cost housing built and made available for the veteran desiring to continue his education.

"HELEN R. HALLADAY.

"THEODORE BERLIN.

"FRED A. BONE.

"M. W. STEVENSON.

"A. H. MOORE."

To the Committee on Education and Labor:

#### "Resolution 17"

"Whereas the continued prosperity of the American people is dependent upon the maintenance of the purchasing power of the workers; and

"Whereas one of the prime functions of the American Federation of Labor is the struggle to raise the wage levels of the American worker: Now, therefore, be it

*Resolved,* That the Arizona State Federation of Labor, in convention assembled, give its wholehearted support to the 65-cent minimum-wage bill, S. 1282, now in the United States Congress; and be it further

*Resolved,* That copies of this resolution be sent to the Arizona congressional delegation and President Truman.

"COMMITTEE."

#### "Resolution 18"

"Whereas Senator CLAUDE PEPPER, of Florida, and others, have introduced a bill into Congress raising the floor of the minimum-wage law from 40 cents to 65 cents; and

"Whereas such a bill, if enacted into law, will benefit all classes of working people through the country, both union and non-union: Therefore be it

*Resolved,* That this thirty-fourth annual convention of the Arizona State Federation of Labor hereby instructs its officers to apprise the Arizona Senators and Representatives in Washington of the federation's sanction of such a law, requesting their support for its passage.

"GEO. L. ALLISON.

"M. A. DEFRANCE.

"FRANK LUTHER.

"CHET WHELAN.

"MARSHALL E. JACKEL."

To the Committee on Military Affairs:

#### "Resolution 42"

"Whereas with the cessation of hostilities in all the far-flung theaters a great supply of surplus war equipment and goods has accumulated at home and abroad; and

"Whereas these surplus properties will not now be needed for the purpose for which they were originally produced; and

"Whereas the Government of the United States and its various departments have no further use for these commodities and products; and

"Whereas these goods have been paid for by the people of the United States through the purchase of war bonds; and

"Whereas it has come to the attention of the Arizona State Federation of Labor in convention assembled that some surplus goods have been deliberately destroyed at Army camps upon orders of higher authority; and

"Whereas the citizens of this country are desirous of obtaining certain classes of these surplus commodities for their own use; and

"Whereas the citizens are prepared to pay with cash or war bonds for what they require: It is therefore hereby

*Resolved,* That these goods be made available through State agencies as well as through dealers and/or commission brokers, such dealers to be confined to a reasonable profit, not over 15-percent net; and it is further

*Resolved,* That copies of this resolution be forwarded to our Washington delegation, to the Federal Surplus Board, to the Governor of Arizona, and to the press.

"COMMITTEE."

#### "Resolution 14"

"Whereas since the cessation of hostilities with Japan, war-contract terminations have caused either partial or total shut-down of the war industries of Arizona, thereby throwing thousands of workers out of jobs; and

"Whereas it will be necessary for the war plants of Arizona to operate at a peacetime productive level closely approximating their wartime level in order to provide jobs and a decent standard of living for the thousands of war veterans that will be coming to Arizona as well as the present unemployed war workers; and

"Whereas it will be impossible for Arizona to maintain its wartime growth and prosperity without the conversion and continued operation of its war-acquired industries; and

"Whereas a large pool of unemployed workers constitutes a threat to the wage standards and existence of organized labor; and

"Whereas the Surplus Property Board has disapproved of the sale of war plants to monopolistic corporations in order to stimulate industrial employment and lower market prices by competition: Now, therefore, be it

*Resolved,* That the Arizona State Federation of Labor, in convention assembled, do all in its power to see that the war plants of Arizona are converted to peacetime production by nonmonopolistic private interests; and be it further

*Resolved,* In the event that private industry fails to fully utilize and operate the aforesaid war plants for peacetime production, the Arizona State Federation of Labor shall demand that the plants be operated by either the city, State, or Federal Governments; and be it further

*Resolved,* That copies of this resolution be sent to the Arizona congressional delegation, President Truman, Governor Osborn, the press, and the Surplus Property Board.

(Reconversion Committee recommends that a standing committee be appointed to act for furtherance of these principles; said committee to continue as long as is necessary.)

"COMMITTEE."

Ordered to lie on the table:

#### "Resolution 16"

"Whereas the continued prosperity of the people of Arizona and the Nation is dependent upon the maintenance of the purchasing power of the workers; and

"Whereas the purchasing power of the workers is dependent upon full employment and full employment is not possible without full capacity production to provide 60,000,000 jobs; and

"Whereas the antilabor elements in Congress have watered down the original bill by amendments, thereby nullifying the main purpose of the bill, which was to assure jobs to all workers able and willing to work: Now, therefore, be it

*Resolved,* That the Arizona State Federation of Labor, in convention assembled, demands that the full employment bill be restored to its original form; and be it further

*Resolved,* That the Arizona congressional delegation is strongly urged to work for the restoration of the bill and its passage.

"COMMITTEE."



## "Resolution 9

"Whereas the right to vote is a great democratic principle which the American people hold dear; and

"Whereas millions of Americans, both black and white, are deprived of this right by the undemocratic device of the poll tax; and

"Whereas in Congress the largest bloc of die-hard enemies of labor come from the poll-tax States, which are instrumental in blocking legislation of vital importance to the American people as a whole; and

"Whereas their continued return to Congress, election after election, is mainly due to disfranchisement of a large portion of the qualified voters in their districts; Now, therefore, be it

*Resolved*, That the Arizona State Federation of Labor, in convention assembled, strongly urges Arizona's congressional delegation to vigorously support passage of H. R. 7, known as the anti-poll-tax bill, by voting for cloture to prevent endless filibustering and voting for passage of this bill; and be it further

*Resolved*, That Senator BARKLEY be sent a telegram urging him to give priority to H. R. 7 over the constitutional amendment; and be it further

*Resolved*, That copies of this resolution be sent to the National Anti-Poll-Tax Committee, Washington, D. C., and William Green, president of the A. F. of L.

"(Phoenix, Ariz., this 18th day of October 1945.)"

## "Resolution 10

"Whereas there is in America today a widespread form of racial discrimination; and

"Whereas this racial discrimination is not only unjust and undemocratic, but constitutes a great danger to organized labor's interest; and

"Whereas unless organized labor itself, takes the initiative to help eliminate this condition, it will be confronted with dire results, such as a large mass of discriminated unemployed Negroes, Mexicans, etc., threatening all other workers and their high wage standards: Therefore be it

*Resolved*, That the State Federation of Labor, now in convention assembled in this State, do everything within its power to make possible the establishment of a permanent FEPC, both nationally as well as in the State of Arizona; be it further

*Resolved*, That copies of this resolution be sent to President William Green of the A. F. of L., President Truman, all our Representatives in Washington, Governor Osborn, and the Eighteenth Arizona Legislature with recommendations that likewise they do everything possible to establish this FEPC.

"Done at Phoenix, Ariz., this 18th day of October 1945.

"D. A. BALDWIN.

"JOHN J. DURKIN.

"HARRY O. PAYTON.

"CHARLES A. SNOVER.

"J. L. BALDWIN."

# REESTABLISHMENT OF COMMUNICATIONS AND BANKING SERVICES WITH GERMANY, AUSTRIA, AND HUNGARY

Mr. LANGER. Mr. President, I have a petition signed by some 30 citizens of Ashley, N. Dak., which reads as follows:

We, the undersigned citizens, respectfully petition the Government of the United States to reestablish postal, wireless, and banking services with Germany, Austria, and Hungary and to allow relief shipments of clothing, food, and other necessities to save the lives of millions of people in Germany, Austria, and Hungary.

I might say that more than a month ago the distinguished senior Senator from Michigan [Mr. VANDENBERG] presented a petition signed by more than a

thousand citizens of the State of Michigan. Time and again, Mr. President, since then I have filed petitions from various sections of the United States; but up to the present time nothing has been done by the Department of State. I am informed, to open up even the postal service so that citizens of this country who have relatives in Austria, in Hungary, and in Germany and Poland can write to them.

## RESOLUTIONS OF SPOKANE PUBLIC FORUM

Mr. LANGER. Mr. President, I present and ask to have printed in the RECORD sundry resolutions adopted by the Spokane Public Forum on a number of different subjects.

The PRESIDENT pro tempore. Without objection, the resolutions will be printed in the RECORD.

Whereas our violation of neutrality in the internal affairs of China by United States armed forces is contrary to the principles we fought for; Be it therefore

*Resolved*, The Spokane Public Forum protest said violation; that we call for immediate withdrawal of American forces in China; that we condemn the use of American arms by any nation attempting to suppress the efforts of colonial people to win independence.

JACK C. KNIGHT,

JOE L. NAPIER,

HORACE H. SPALDING,

*Resolutions Committee.*

Whereas thousands of our citizens in public life and the Army are disfranchised by the Hatch Act; and

Whereas the Hatch Act boldly stands out the most asinine and diabolical piece of legislation enacted by the legislature: Be it therefore

*Resolved*, The Spokane Public Forum go on record demanding the immediate repeal of said vicious and un-American act.

JOSEPH E. NESBITT,

LILLIAS H. DEFOE.

Whereas 100,000,000 laying hens will be taken out of production at the turn of the year and other food surpluses will be dealt with accordingly for the purpose of price control; and

Whereas a report comes from Sidney, Australia, dated November 28, that United States equipment, including millions of pounds of gears, Hellcat fighters, jeeps, radio sets, dental outfits, windproof jackets, clothing, and tons of food are being dumped into the sea; and

Whereas millions of people are starving in Europe and Asia, we the members of the Spokane Public Forum protest such a program and suggest that surpluses in the United States and abroad be conserved and that all necessary supplies be speedily dispatched to where this need exists.

JOE D. NAPIER,

HORACE H. SPALDING,

JACK C. KNIGHT,

*Resolutions Committee.*

Whereas the British Government is now asking for a loan to maintain its system of exploitation; and

Whereas the British Government is now waging the most dastardly war, since their opium war in China, in modern history, against the people of Java, using late enemy Japanese troops and American equipment, for the purpose of returning the voluntary exiled Dutch exploiters to their lost power in direct violation of their solemn signature on the Atlantic Charter: Be it

*Resolved by the Spokane Forum*, That we direct our Representatives in Congress that

they vote against such loan to Great Britain until they withdraw all troops or assistance from all places where force is being used to destroy self-government of peoples.

JOSEPH E. NESBITT,

*President.*

LILLIAS H. DEFOE,

*Secretary.*

Whereas in response to Churchill's clever diplomatic plea for assistance to protect democracy from the Fascists, we financed them through lend-lease along with the help of our armed forces; and

Whereas the armed forces of Great Britain are now invading Java in behalf of the Fascist monarchy of the Netherlands: Be it therefore

*Resolved*, The Spokane Public Forum go on record protesting the military invasion of Great Britain, tending to continue the enslavement of Java by the Dutch; and

Whereas it is apparent that our lend-lease program is assisting Great Britain in hindering these colonial people from establishing the democratic principles for which we fought.

J. C. KNIGHT,

JOE H. NAPIER,

H. H. SPALDING,

*Resolutions Committee.*

## Resolution on price control

Whereas we, the members of Women's Progressive Democrat Club, realize that the prospects of inflation are probably greater today than at any time since the war started; and

Whereas we are aware of the fact that following the armistice in World War I, competition for scarce goods resulted in prices rising faster than wages and in salaries and fixed incomes remaining practically stationary; and

Whereas we view with alarm an increasing pressure toward removal of price controls, and wish to do all in our power to avoid running the risk of the same disasters this post-war period: Therefore be it

*Resolved*, That we, the members of Women's Progressive Democrat Club—

1. Pledge ourselves to fight these inflationary forces which will increase our cost of living and threaten our financial stability.

2. Request our duly elected Representatives in Congress to help us in this fight by strengthening present price-control laws.

3. That copies of these resolutions be sent to the President of the United States, to Senator Warren Magnuson, Senator Hugh Mitchell, and Congressman Walt Horan, and to Price Administrator Chester Bowles.

Concurred in by Public Forum.

JOSEPH E. NESBITT,

*President.*

LILLIAS H. DEFOE,

*Secretary.*

## RESOLUTION OF EDDY COUNTY (N. DAK.) FARMERS' UNION ADVOCATING MISSOURI VALLEY AUTHORITY

Mr. LANGER. Mr. President, I ask unanimous consent to place in the RECORD a letter I received from New Rockford, N. Dak., embodying resolutions adopted by the Eddy County (N. Dak.) Farmers' Union, signed by the president and secretary, advocating the creation of a Missouri Valley Authority.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

NEW ROCKFORD, N. DAK.,

December 18, 1945.

HON. WILLIAM LANGER,

*United States Senate, Washington, D. C.*

DEAR MR. LANGER: Whereas certain officials and small organized groups in State and National capacity are selfishly endeavoring to

retard economic progress by using false and ignorant propaganda methods in order to confuse and befuddle the minds of many American citizens to the true facts so that private corporations and some individuals may continue building wealth and power for themselves; and

Whereas most of this United States and its resources are practically undeveloped as far as serving mankind is concerned; and

Whereas technological and scientific research developments are sufficiently at our disposal to make in a few short years in this country an utopia compared to what 150 years of restricted progress has attained: Therefore be it

*Resolved*, That we members of the Eddy County Farmers' Union hereby, assembled in annual meeting at the Memorial Building in the city of New Rockford, N. Dak., this 18th day of December 1945, unanimously voted to support and fight for an all-out Missouri Valley Authority similar to the Tennessee Valley Authority, and keeping in mind for our future guidance the individuals and groups that are opposed to a progressive economic program that will render the greatest service to all mankind.

EDDY COUNTY FARMERS' UNION,  
LELAND SHROYER, President;  
LAWRENCE SANDERSON, Secretary.

#### RECOMMENDATIONS OF DEVILS LAKE (N. DAK.) CHAMBER OF COMMERCE ON LABOR LEGISLATION

Mr. LANGER. Mr. President, I ask unanimous consent to place in the RECORD a resolution adopted by the Devils Lake Chamber of Commerce signed by Lyle Harrington, president, of Devils Lake, N. Dak.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas after 4 years of the most horrible conflict in history we have emerged victorious only to be threatened by the paralysis of business and industry throughout the Nation, caused by the uncontrolled ambitions and demands of certain unions; and

Whereas almost from its inception business has been subject to Government regulation and held accountable for its acts on every score; and

Whereas unless Congress places appropriate controls on unions, the very foundation of the structure of American business will be destroyed by the proposal of the unions to seize the books of business through the innocent sounding Government fact-finding panels, virtually permitting them to dictate the specifications for production, sales, and administration of business, and thus rupture the American pattern of free enterprise that has developed the highest standard of living and wages on earth today: Now, therefore, be it

*Resolved*, That the board of directors of the Devils Lake Chamber of Commerce in meeting on January 15, 1946, does urgently recommend to the delegation from North Dakota in the Congress of the United States that the members of such delegation exert all possible effort to the enactment of legislation to:

1. Adjust basic labor laws to recognize industry as well as labor.
2. Prohibit union contracts in restraint of trade.
3. Establish effective penalties and preventive measures to avoid breaking of contracts by labor.
4. Require the same degree of legal responsibility of labor unions as from industry.
5. Make closed-shop contracts illegal.
6. Make legislative corrections of Supreme Court ruling permitting interference with traffic on highways.

7. Prohibit union contributions to political campaigns on the same basis as corporations.

DEVILS LAKE CHAMBER OF COMMERCE,  
LYLE HARRINGTON, President.  
DONALD J. DONOHUE, Secretary.

#### EXPEDITION AND DELIVERY OF BUILDING MATERIALS

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the Civic Club of West Fargo, N. Dak., requesting the enactment of legislation to expedite the delivery of building materials to the communities where they are needed.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

CIVIC CLUB,  
West Fargo, N. Dak., January 22, 1946.  
Hon. WILLIAM LANGER,  
Senator from North Dakota, Senate  
Office Building, Washington, D. C.

DEAR SIR: At the annual meeting of our civic club on January 9 instant the following resolution was adopted which we submit to you for your support in Congress:

"Whereas there is a critical housing shortage in the community comprising Southwest Fargo, West Fargo, and Barnes Township as well as in the State of North Dakota as a whole; and

"Whereas the manpower, tools and required machinery are locally available; and

"Whereas servicemen are returning daily from service in the armed forces without being able to obtain housing facilities for themselves and their families; and

"Whereas the only obstacle in the way of providing adequate housing is the shortage of building materials; and

"Whereas building materials as now being channeled, are now going to large contract buyers and chain stores and prefabrication centers leaving the smaller building suppliers' stocks depleted; and

Whereas there is now no unity between the OPA and the lumber manufacturing industry which is causing a shortage of lumber used in home construction: Be it hereby

*Resolved*, That the Commercial Club of Southwest Fargo and West Fargo urge our Representatives in Congress of the United States to inaugurate and support the necessary legislation to expedite the delivery of building materials to the communities where they are so badly needed."

We plead with you, sir, to give this your whole-hearted support.

Yours very truly,  
SOUTHWEST AND WEST FARGO CIVIC CLUB,  
By M. E. PEDERSON, Secretary.

#### LOANS TO SERVICEMEN AND OCCUPATION OF PUBLIC LANDS BY THEM

Mr. LANGER. Mr. President, in view of the fact that we are planning on loaning England \$4,400,000,000, a subject which will be debated here in a short time, I ask permission to place in the RECORD two letters showing the rotten deal servicemen are getting here in the United States. First, I ask to place in the RECORD a letter received by me from Hazen, N. Dak., signed by Robert F. Fetch, together with a reply by Francis X. Pavesich, Director, Loan Guarantee Service, in reply to a letter written to him by me.

I also ask unanimous consent to have printed in the RECORD a letter received by the mother of a serviceman of Van Hook, N. Dak., together with replies

signed by William Zimmerman, Assistant Commissioner of Indian Affairs. This letter shows that in the matter of obtaining public lands veterans have no preference of any kind or character.

The PRESIDENT pro tempore. Without objection, the letters will be printed in the RECORD.

The letters are as follows:

HAZEN, N. DAK., January 9, 1946.

DEAR MR. LANGER: In regard to your very respectful and welcome letter, Mr. LANGER, I am so happy that I did hear from you. I respect you for such information.

Yes, I, too, am glad that I have returned from the service, and especially holding two citations from the service—the Silver Star and the Navy Cross medal. I have a perfect service record and was honorably discharged on June 12, 1945. My folks have been residents of North Dakota since their childhood, and have always farmed, and that makes me want to keep on farming, also. I plan to make it my career, too. So I got an FSA loan for \$2,500 to buy machinery, seed, and cattle, and I have my father's farm leased for 1 year. I tried so hard to get a loan large enough to buy this farm, but that's all I got. Seems like being a serviceman I should get a larger loan. I want very much to buy this farm of my father's, as he wants to sell quite bad. There is 400 acres of good land and buildings. There is 310 acres under cultivation, and the rest pasture, two coal mines, and plenty of running water, a good well, close to school, on and near mail route. I have sufficient machinery to take care of the land. I was 25 years old on September 10, 1945. And was married November 22, 1945. My wife and I would like so much to buy this farm.

My father's name is Nick Fetch, son-in-law of Bill Tjeden, of whom I am quite sure you knew Bill. We all were very grateful for all the good things you did for North Dakota while you were Governor of North Dakota.

This leaves myself of the best and the same stands for the rest of the folks around. Am hoping this finds you of the best, and that I hear again from you soon. My service records should be in the White House if you'd like to look at them. I wish you would, Mr. LANGER.

Like to hear from you soon.

Thanking you very kindly.

Yours sincerely,

ROBERT F. FETCH.

JANUARY 31, 1946.

Hon. WILLIAM LANGER,  
United States Senate,  
Washington, D. C.

MY DEAR SENATOR LANGER: Reference is made to your letter of January 28, 1946, and to the letter of Robert F. Fetch, of Hazen, N. Dak., which was attached.

It appears that Mr. Fetch has obtained a loan of \$2,500 from the Farm Security Administration to buy farm machinery, seed, and cattle, and has leased his father's farm for a year. He now wishes to buy the farm and to know if it will be necessary for him to repay the other loan before he can obtain a guaranty of a loan under the Servicemen's Readjustment Act of 1944, as amended.

As you know, the act does not give the Veterans' Administration the right to make loans, but authorizes it to guarantee loans upon application of an eligible and qualified veteran and his lender. It is not required that at the time of guaranty the veteran have no other indebtedness.

It is suggested that Mr. Fetch see some lender who makes farm real-estate loans and discuss his situation with him. The county agricultural agent in his home county can



probably furnish him the names of lenders interested in making loans for the purchase of farms. Lenders generally have the forms and know the procedure for obtaining guaranty. Any lender in North Dakota who does not may obtain the forms and information from the Veterans' Administration in Fargo, where the guaranties of loans for North Dakota are issued.

A qualified veteran may have \$4,000 or 50 percent, whichever is lesser, of loans for the purchase of farm realty guaranteed.

Very truly yours,

FRANCIS X. PAVESICH,  
Director, Loan Guarantee Service.

VAN HOOK, N. DAK., November 19, 1945.  
SENATOR LANGER.

DEAR SIR: Will you please tell me why the returning servicemen of this community that come back and want to farm and have none of their own and are unable to find any to rent, are absolutely unable to get one acre of Indian reservation land? Well, I can tell you. There are men here that farm thousands of acres down there that have never done one thing for their country (except invest some of their gains in war bonds, which is an investment) and will not let go of a quarter to any of these boys. Some I know have a section of land in their name, another in their wife's, another in their daughter's or son's in another State, another in some in-law relation or other. This in-law business of renting and running it all yourself is worked to death in lots of cases.

These fellows have stayed home, farmed big, gathered immense profits these years of good crops and good prices, and intend to go on doing the same. While our boys have gone to war, risked their lives, suffered miseries beyond description, been parted from home and loved ones, received \$50 per month for all this, and now they come back longing to get a piece of land and farm. None can be had for love or money. They are held firmly by the monied hands that stayed home through it all. I know you can't legislate against anyone buying or renting and I'm not foolish enough to expect it, but the Government has the say of this Indian reservation land. Why can't the people who had it during war years and made good on it, be compelled to relinquish it for servicemen. No serviceman to have more than one section and rigorous laws about wife, sister, in-laws, etc., names being used to hide behind for more. Give these boys a chance. You may think these big guns have a vote, and so they do, but it is chaff compared to the power of the American Legion.

If you want to do these boys that want to farm a favor, they'll never forget, get busy on this.

I am not talking for my own son who is home from service, because we can rent him our farm if he wants it, but I'm talking for justice to these other lads who make my heart ache to hear their longings to farm now they are back, and not a farm to be had save this Indian land and can't get any of that. Did you know that these big farms not only pay the Indian who leases them the land a part of the crop, but a bonus on the side? What chance for an ex-soldier?

I am signing my name to this but I want it kept strictly confidential, and nothing printed of this. You are the one to act, not I. I have to live here.

UNITED STATES  
DEPARTMENT OF THE INTERIOR,  
OFFICE OF INDIAN AFFAIRS,  
Chicago, Ill., January 15, 1946.  
HON. WILLIAM LANGER,  
United States Senate.

MY DEAR SENATOR LANGER: This is in reference to your letter of December 21, 1945,

enclosing a letter from one of your constituents of Van Hook, N. Dak., concerning the desire of returned servicemen to lease farming land. We are writing our local representative at the Fort Berthold Indian Agency as to the availability of lands for rental there, and will write you upon the receipt of his report. Your enclosure is returned herewith.

Sincerely yours,

WILLIAM ZIMMERMAN, JR.,  
Assistant Commissioner.

UNITED STATES,  
DEPARTMENT OF THE INTERIOR,  
OFFICE OF INDIAN AFFAIRS,  
Chicago, Ill., February 1, 1946.

HON. WILLIAM LANGER,  
United States Senate.

MY DEAR SENATOR LANGER: This is in reference, further, to your letter of December 21, 1945, enclosing a letter from one of your constituents of Van Hook, N. Dak., concerning the desire of returned servicemen to lease farming land on the Fort Berthold Indian Reservation. We are informed by our superintendent in charge of that reservation that all lands there are being leased in accordance with rules and regulations made by the Secretary of the Interior, under which there is no discrimination between servicemen and others. The leasing regulations provide that, as a rule, no person, firm, or corporation shall be permitted to lease more than 640 acres of farming land.

I sympathize with your correspondent in his desire to find a suitable location for men returning from the armed services. I am sure that the superintendent and members of his staff, in negotiating new leases, will have in mind the urgent needs of veterans and will make every effort to find land for them. Your correspondent overlooks the circumstances which surely you yourself have in mind, that the existing leases are all contracts which cannot be terminated except for cause or by mutual consent. It just is not possible to do what your correspondent asks, that the present lessees "be compelled to relinquish it for servicemen."

If there is any further information about this matter which you desire for your constituent, please let us know, and further inquiry will be made.

Sincerely yours,

WILLIAM ZIMMERMAN, JR.,  
Assistant Commissioner.

#### PROTEST AGAINST PROPOSED LOAN TO GREAT BRITAIN

MR. LANGER. Mr. President, I ask to have printed in the Record a resolution dealing with proposed financial loan to Great Britain, which was denounced at an election meeting of the Pennsylvania State Directorate, American Association for Recognition of the Irish Republic.

There being no objection, the letter was ordered to be printed in the Record, as follows:

PHILADELPHIA, January 11.—The proposed financial loan to Britain was denounced at an election meeting of the Pennsylvania State Directorate, American Association for Recognition of the Irish Republic, held here tonight.

"If there is any convincing reason why Britain should be granted such a tremendous sum of American taxpayer's money, and on such fantastic terms, we have not yet heard it," said John J. Reilly, national president.

Further denouncing the proposed loan, Reilly continued: "The ambiguous phrasing of the loan document constitutes an invitation to dishonesty. If we can afford such an expenditure, we should certainly consider our war veterans to be entitled to at least the same terms as the British. To this end, we should revise the GI bill of rights so as

to permit those young men to borrow at 1.6 percent instead of 4 percent, and without security, as is the case in the British loan terms.

"We should be prepared," Reilly continued, "to trust our own youth to at least the same extent that we trust the British—a nation that has violated eight solemn agreements made with us since the Civil War."

"It will be interesting," he continued, "to note the reaction of our ex-soldiers when they are to finance the Empire they so recently saved from political extinction."

Resolutions were adopted, condemning the loan, and also Britain's continued adherence to her foreign policy of imperialism.

#### CEILING PRICES ON BUTTER AND OTHER DAIRY PRODUCTS—RESOLUTION OF MINNEAPOLIS (MINN.) CIVIC AND COMMERCE ASSOCIATION

MR. LANGER. Mr. President, I ask to have printed in the Record a resolution adopted by the board of directors of the Minneapolis (Minn.) Civic and Commerce Association.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

The Minneapolis Civic and Commerce Association recognizes the importance of agriculture in its trade area, of which dairying provides the major source of agricultural income. It is also fully apprised of the part the great creamery system of the Northwest has played in the development of the dairy industry, and the fact that these creameries in the future as in the past will constitute the bulwark of defense in dealing with the problems of farm surpluses when normal conditions again prevail. They also constitute the foundation of success of a great business enterprise here in the Northwest.

Facts disclose that considerably less than half of the creameries in this trade area are now churning butter that were manufacturing butter before the war, and many of these may be compelled to close their doors and may not reopen. This situation is the result of policies adopted by the OPA in placing low-ceiling prices on butter and cheese while no ceiling prices has ever prevailed on cream. Misdistribution of the fat produced in this area has been accentuated by price control which has not been applicable to all phases of the industry and allocation for utilization of milk fat and solids that has caused extreme disadvantage to the production and manufacture of butter and cheese.

This situation is of extreme importance to both agriculture and business, and it is with this in mind that we, as the Board of Directors of the Minneapolis Civic and Commerce Association, urge that immediate action be taken to restore the industry to its proper place in our agricultural economy and a proper balance with respect to price relationships within the industry itself. To accomplish this purpose there should be:

1. Immediate restoration of war-food orders dealing with allocations which come under the headings of orders Nos. 79, 13, 8, and 93.
2. A new ceiling on butter and cheese that will restore these items to proper relationship with cream and other dairy products, governed by normal supply and demand.
3. A ceiling price placed on cream.

By the restoration of the proper price relationship between cream and butter and other dairy products, each section of the country will again be able to obtain its fair share of these essential foods.

Be it therefore

Resolved, That copies of this statement be sent to the following: The President of the

United States, the Northwest delegation in Congress, the Secretary of Agriculture, the Office of Price Administration, and the Chief of the Dairy and Poultry Branch of the Department of Agriculture in Washington, D. C. JANUARY 8, 1946.

Mr. LANGER. Mr. President, a parliamentary inquiry. Am I limited to 5 minutes at this time?

The PRESIDENT pro tempore. The Senator can proceed longer by unanimous consent.

Mr. LANGER. I ask unanimous consent that I may be given a few minutes more than 5 minutes.

The PRESIDENT pro tempore. The Chair thinks it would be well for the Senator from North Dakota to permit other routine business to be transacted.

Mr. LANGER. Very well.

#### REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HILL, from the Committee on Military Affairs:

S. 1185. A bill to change the designation of Custer Battlefield National Cemetery, in the State of Montana, to "Custer Battlefield National Monument", and for other purposes; without amendment (Rept. No. 928).

By Mr. GURNEY, from the Committee on Military Affairs:

S. 1657. A bill to amend Public Law 779 of the Seventy-seventh Congress, entitled "An act to provide for furnishing transportation for certain Government and other personnel necessary for the effective prosecution of the war, and for other purposes," approved December 1, 1942, and for other purposes; without amendment (Rept. No. 929).

By Mr. THOMAS of Utah, from the Committee on Military Affairs:

S. 1776. A bill to authorize the exchange of certain land at the Benicia Arsenal, Calif.; without amendment (Rept. No. 930).

By Mr. AUSTIN, from the Committee on Military Affairs:

H. R. 2240. A bill to credit certain service performed by members of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service prior to reaching 18 years of age for the purpose of computing longevity pay, or for other pay purposes; without amendment (Rept. No. 931).

By Mr. BANKHEAD, from the Committee on Irrigation and Reclamation:

H. J. Res. 136. Joint resolution changing the name of the Shoshone Dam and Reservoir to Buffalo Bill Dam and Reservoir in commemoration on the one hundredth anniversary of the birth of William Frederick Cody, better known as Buffalo Bill; without amendment (Rept. No. 932).

By Mr. McFARLAND, from the Committee on Irrigation and Reclamation:

H. R. 4932. A bill to amend section 9 of the Boulder Canyon Project Act, approved December 21, 1928; without amendment (Rept. No. 933).

By Mr. HATCH, from the Committee on the Judiciary:

S. 1105. A bill to amend the Hatch Act; with an amendment (Rept. No. 934).

By Mr. WHEELER, from the Committee on Interstate Commerce:

H. R. 2764. A bill to amend section 409 of the Interstate Commerce Act, with respect to the utilization by freight forwarders of the services of common carriers by motor vehicles; without amendment (Rept. No. 935).

INTERIM REPORT ON INVESTIGATION OF MATTERS RELATING TO FOOD PRODUCTION AND CONSUMPTION (S. REPT. NO. 936)

Mr. THOMAS of Oklahoma. Mr. President, on behalf of the subcommit-

tee of the Committee on Agriculture and Forestry, I ask unanimous consent to submit an interim report on Senate Resolution 92, providing for an investigation of matters relating to food production and consumption, and I submit a report (No. 936) thereon. I also ask unanimous consent that the report may be printed in the RECORD.

There being no objection, the report was received and ordered to be printed in the RECORD, as follows:

The Committee on Agriculture, to whom was referred resolution (S. Res. 92) providing for the investigation of matters relating to food production and consumption, makes the following interim report on the buying, selling, and handling of grain.

The committee had before it not only representatives of the Commodity Credit Corporation, the Department of Agriculture, and the Office of Price Administration, but representatives of the producers, dealers, exporters of grain, and officials of the Chicago Board of Trade. In addition, the committee gave consideration to confidential reports, also findings made by its special investigator. The findings of fact and recommendations herein are based upon the testimony and reports which, in the opinion of this committee, warrants immediate action.

#### FINDINGS OF FACT

1. The Commodity Credit Corporation has in effect ceased to function as a public corporation as was intended by the various laws creating and extending the life of the Corporation. With respect to the powers and duties of the said Commodity Credit Corporation, we find the following statement on page 17 of the Reference Manual of Government Corporations, prepared by the General Accounting Office as of June 30, 1945:

"The Corporation is authorized by the law to use its funds to encourage the expansion of production of any nonbasic agricultural commodity (commodities other than cotton, corn, wheat, tobacco, peanuts and rice) through a commodity loan, purchase, or other operation, so as to support, \* \* \*"

"A price, for the producers of such commodities, of not less than 90 percent of the parity or comparable price therefor. \* \* \*"

(NOTE.—The foregoing interpretation is based upon Public Law 147 approved July 1, 1941, and Public Law 729 approved October 2, 1942.)

Its funds are now being used by the various branch directors of the Production and Marketing Administration, a branch of the Department of Agriculture, to buy, store and sell commodities, domestically and for export, not only for other Government agencies but for UNRRA and foreign governments, all in competition with private enterprise.

2. The Under Secretary of Agriculture, who is also acting as President of the Commodity Credit Corporation, is so occupied with other duties as Under Secretary that he cannot give proper attention to the organization and administration of the Corporation.

3. The Director of the Grain Branch of the Production and Marketing Administration, who is also a vice president of the Commodity Credit Corporation, is using the corporation's funds to buy, store and sell grains, monopolizing the grain trade to the extent of restricting competition and depressing prices to the producers, especially during harvest seasons, when a majority of the producers sell their crops.

4. The Director of the Grain Branch of the Production and Marketing Administration purchases grain by secret negotiations or upon offers from preferred grain dealers, such purchases running into hundreds of millions of bushels annually. The committee could not find where any purchases of grain were made by the regular Government procedure or upon open competitive bidding.

5. The procedures used in buying, storing, selling grain as purchased by the Commodity Credit Corporation and later the grain branch of the Production and Marketing Administration, which are not subject to approval by the Comptroller General, are open to possible graft, collusion, and favoritism, depending solely upon the integrity of the employees of the branch to protect the interests of the Government.

6. Some branches of the Production and Marketing Administration issue reports of the day-to-day purchases that enable farmers, handlers, processors, and others to follow the current operations, and to know what commodities are bought, from whom, what grade, and at what prices. However, the Grain Branch, although requested by the trade, has refused to issue such reports, which has caused much dissatisfaction and suspicion as to its activities. The failure to issue such reports has contributed substantially to the present critical grain situation, as the public has not been kept properly informed of the purchases and sales of grain, both for domestic use and for exports.

7. The Office of Price Administration has announced that it will impose a ceiling on all rye, irrespective of the year produced, effective June 1, 1946, which will create a roll-back overnight to the producer, of an average of 75 cents per bushel from present prices. Rye, like wheat, is a world commodity and has a world price. The announced action, if followed through, will be nothing short of confiscation. Such action will depress the price to our producers just before harvest, far below the world price, discouraging much needed production and also encouraging an export black market as prices cannot be controlled abroad. Reports of crop conditions indicate at this time the 1946 crop will be only approximately 60 percent of domestic requirements with no allowance for exports.

#### RECOMMENDATIONS

1. The President of the Commodity Credit Corporation should be a well-qualified executive and should give full time to the organization and the administration of the Corporation.

2. The Commodity Credit Corporation should operate solely as a public corporation, with its president as its chief administrative officer and with an active board of directors.

3. The activities of the Commodity Credit Corporation should be confined to acquiring and disposing of surplus commodities to support farm prices as required by law, and refrain from acting as a monopoly or a dealer in competition with the private grain industry.

4. Daily reports should be issued by the Commodity Credit Corporation giving full information as to acquiring and disposal of all commodities so as to keep the public well informed as to its activities.

5. The Office of Price Administration should reconsider imposing its announced ceiling on rye and should rescind such announcement. No action should be taken which will discourage production or impose a ceiling below the world market.

ELMER THOMAS,

Chairman.

HARLAN J. BUSHFIELD,

B. K. WHEELER,

TOM STEWART,

Subcommittee.

PRINTING OF COPIES OF CERTAIN HEARINGS OF JOINT COMMITTEE ON ORGANIZATION OF CONGRESS

Mr. HAYDEN. Mr. President, from the Committee on Printing, I ask unanimous consent to report favorably, without amendment, a concurrent resolution (S. Con. Res. 52) authorizing the printing of 3,000 additional copies of the hearings of the Joint Committee on Organi-



zation of Congress. It is the understanding that 2,000 copies will be placed on sale by the Superintendent of Documents. I ask unanimous consent for the present consideration of the concurrent resolution.

The PRESIDENT pro tempore. Without objection, the report will be received, and the concurrent resolution will be considered.

There being no objection, the concurrent resolution (S. Con. Res. 52) was considered and agreed to, as follows:

*Resolved by the Senate (the House of Representatives concurring), That in accordance with paragraph 3 of section 2 of the Printing Act, approved March 1, 1907, the Joint Committee on the Organization of Congress be, and is hereby, authorized and empowered to have printed for its use 3,000 additional copies of the summary of hearings, index to hearings, and parts 1, 2, 3, 4, and 5 of the hearings held before the said joint committee*

during the first session, Seventy-ninth Congress, relative to the organization of Congress.

#### REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

Mr. BARKLEY, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation two lists of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted reports thereon pursuant to law.

#### PERSONS EMPLOYED BY COMMITTEES WHO ARE NOT FULL-TIME SENATE OR COMMITTEE EMPLOYEES

The PRESIDENT pro tempore laid before the Senate a report for the month of January 1946, from the chairman of a certain committee, in response to Senate Resolution 319 (78th Cong.), relative to persons employed by committees who

are not full-time employees of the Senate or any committee thereof, which was ordered to lie on the table and to be printed in the RECORD, as follows:

UNITED STATES SENATE,  
COMMITTEE ON BANKING AND CURRENCY,  
February 1, 1946.

HON. KENNETH MCKELLAR,  
President pro tempore of the Senate,  
Senate Office Building, Washington,  
D. C.

DEAR MR. PRESIDENT: Pursuant to Senate Resolution 319, I am transmitting herewith a list of employees of the Senate Banking and Currency Committee who are not full-time employees of the Senate. Included with this list is the name and address of each such employee, the name and address of the department paying the salary of such employee, and the annual rate of compensation for each such employee.

Respectfully yours,  
ROBERT F. WAGNER,  
Chairman, Banking and  
Currency Committee.

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Bertram Gross	613 S. Quincy St., Arlington, Va.	Reconstruction Finance Corporation	\$8,750
Doris Phippen <sup>1</sup>	40 Plattsburg Ct. NW., Washington, D. C.	Navy Department	2,650
Eve Zidel	24-C Crescent Rd., Greenbelt, Md.	Reconstruction Finance Corporation	2,650

<sup>1</sup> Temporarily borrowed from Surplus Property Subcommittee (S. Res. 129).

#### BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. RUSSELL:

S. 1825. A bill to amend subsection (c) of section 19 of the Immigration Act of 1917, as amended; to the Committee on Immigration.

S. 1826. A bill granting an increase in pension to John R. Robertson; to the Committee on Pensions.

By Mr. WALSH:

S. 1827. A bill to provide for the transportation of dependents of personnel of the Naval Establishment from overseas stations to inland destinations in the United States, and for other purposes; to the Committee on Naval Affairs.

By Mr. BUSHFIELD:

S. 1828. A bill authorizing the issuance of a patent in fee to Adella Charging Thunder; to the Committee on Indian Affairs.

By Mr. TYDINGS (by request):

S. 1829. A bill to authorize certain expenditures by the Alaska Railroad, and for other purposes; to the Committee on Territories and Insular Affairs.

(Mr. KNOWLAND introduced Senate bill 1830, to enable the people of Hawaii to form a constitution and State government to be admitted into the Union on an equal footing with the original States, which was referred to the Committee on Territories and Insular Affairs and appears under a separate heading.)

By Mr. McCARRAN:

S. 1831. A bill to cancel authority under the act of June 23, 1936, for the conveyance of certain lands owned by the United States to the city of Los Angeles, Calif.; and

S. 1832. A bill to repeal an act which withdrew certain public lands of the United States in the State of California from settlement; to the Committee on Public Lands and Surveys.

#### STATEHOOD FOR HAWAII

Mr. KNOWLAND. Mr. President, I ask unanimous consent at this time to introduce for appropriate reference a

bill and in connection with it to make a very few remarks.

It is a bill to give statehood to the Territory of Hawaii. Hawaii was organized as a Territory on June 14, 1900, and since that time has functioned as a Territorial government. In the election held in 1940 the people of Hawaii, by more than a 2-to-1 vote, expressed their desire for statehood. The companion bill to the bill I am now introducing was introduced a short time ago in the House of Representatives by the Delegate from Hawaii [Mr. FARRINGTON].

There being no objection, the bill (S. 1830) to enable the people of Hawaii to form a constitution and State government to be admitted into the Union on an equal footing with the original States was received, read twice by its title, and referred to the Committee on Territories and Insular Affairs.

#### HOUSE BILL REFERRED

The bill (H. R. 5060) to amend section 1 of the act entitled "An act to fix the salaries of officers and members of the Metropolitan Police force, the United States Park Police force, and the Fire Department of the District of Columbia," approved May 27, 1924, was read twice by its title and referred to the Committee on the District of Columbia.

#### AMERICA'S FOREIGN POLICY—ADDRESS BY SENATOR WILLIS

[Mr. BUSHFIELD asked and obtained leave to have printed in the RECORD an address on America's foreign policy, delivered by Senator WILLIS at the Mayflower Hotel, January 25, 1946, before the American Coalition, which appears in the Appendix.]

#### ADDRESS BY SECRETARY WALLACE BEFORE NATIONAL CITIZENS' POLITICAL ACTION COMMITTEE

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD an address delivered by Secretary of Commerce Wallace

before the National Citizens' Political Action Committee, New Haven, Conn., February 8, 1946, which appears in the Appendix.]

#### ASSISTANCE FOR CENTRAL EUROPE—ADDRESS BY DOM ODO

[Mr. EASTLAND asked and obtained leave to have printed in the RECORD an address regarding conditions in Central Europe, delivered at the Willard Hotel, Washington, D. C., January 29, 1946, by Dom Odo, Duke of Wurttemberg, O. S. B., honorary chairman of the Central European Rehabilitation Association, Inc., and chairman of the International Catholic Help for Refugees and War Victims, which appears in the Appendix.]

#### POLICIES UPON WHICH THE PRESIDENT AND CONGRESS DO NOT AGREE—ARTICLE BY FRED BRECKMAN

[Mr. EASTLAND asked and obtained leave to have printed in the RECORD an article entitled "Policies Upon Which the President and Congress Do Not Agree," by Fred Breckman, from the National Grange Monthly for February 1946, which appears in the Appendix.]

#### NO GESTAPO AND NO DISCRIMINATION—EDITORIAL BY JOSEPHUS DANIELS

[Mr. HOEY asked and obtained leave to have printed in the RECORD an editorial entitled "No Gestapo and No Discrimination," written by Josephus Daniels and published in the Raleigh News and Observer of February 11, 1946, which appears in the Appendix.]

#### INCONSISTENT—EDITORIAL FROM THE CHARLOTTE (N. C.) OBSERVER

[Mr. HOEY asked and obtained leave to have printed in the RECORD an editorial entitled "Inconsistent," published in a recent issue of the Charlotte (N. C.) Observer, which appears in the Appendix.]

#### PUBLIC LAND GRAZING POLICIES—LETTER FROM CENTRAL COMMITTEE, NEVADA STATE GRAZING BOARDS

[Mr. CARVILLE asked and obtained leave to have printed in the RECORD a letter addressed to him under date of January 17, 1946, by the Central Committee Nevada State

Grazing Boards, dealing with public land-grazing policies, which appears in the Appendix.]

**DISTRICT OF COLUMBIA SUFFRAGE—ARTICLE BY JESSE C. SUTER**

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an article by Jesse C. Suter in support of the Summers-Capper bill, granting suffrage to the citizens of the District of Columbia, published in the Washington Star of February 10, 1946, which appears in the Appendix.]

**CITATION AND INVESTITURE OF LEO T. CROWLEY—REMARKS OF ARCHBISHOP KILEY**

[Mr. LA FOLLETTE asked and obtained leave to have printed in the RECORD the remarks of Archbishop Kiley made on the occasion of the citation and investiture of Leo T. Crowley as knight commander with star of the Order of Pius IX, on January 10, 1946, which appears in the Appendix.]

**FOOD SAVING TO RELIEVE HUNGER IN EUROPE**

Mr. JOHNSON of Colorado. Mr. President, in his broadcast Tuesday evening, February 12, 1946, over Station WOL, Mr. Albert Warner made this statement:

Secretary of Agriculture Clinton Anderson sampled today and found good the dark bread we will use so that more wheat may be sent overseas.

A former serviceman writes me the following letter:

"DEAR MR. WARNER: People in this country, without ever thinking about it, probably waste enough bread to feed 10,000,000 starving foreigners in this world bread crisis. When I was in service in Italy we fed scores of Italians on the bread scraps from the camp mess. Wherever my outfit camped, there were always Italian women and children lined up at chow time next to the GI garbage cans. They would stand there in the rain and sleet, barefoot in the cold and mud, begging the scraps off our mess kits after we finished eating.

"Now if those same pitiful women and kids could stand by the garbage pail in your kitchen and grab the waste food off the plates from your dinner table, they would be mighty happy for the chance, Mr. Warner.

"It would make you feel a little ashamed to see human beings living off your garbage, but you would still rather they did that than died. Of course, they can't be there, but maybe we can imagine that they are there, stretching out hungry hands for the precious scraps we throw away.

"Surely any man lucky enough to live in America where there is such a plenty of bread for everybody ought to be willing to eat those heels and bread scraps and save a few slices of bread each week, to leave more flour and wheat that this country can spare for people abroad.

"I'll make you a deal, Mr. Warner: I'll agree that not a scrap of bread will be wasted in the kitchen of my house if you will make the same promise for the kitchen of your house. And if enough people would do the same thing, there will be a lot less kids dying of bloated up empty bellies between now and next fall."

So writes this GI—it's a bargain he offers to everyone. A Nation-wide drive to save food would help to meet the crisis of starvation.

I agree with Mr. Albert Warner that the idea suggested is a splendid one—one which should have the attention of big-hearted America. The cause is urgent, and the remedy proposed is the least that can be suggested.

It is to be hoped that some public-spirited citizen will adopt the idea which is suggested and promote it on a Nation-wide scale, with the vigor and effectiveness shown by Mr. Henry Kaiser in the old-clothes drive.

**RELIEF OF DISPLACED UKRAINIANS**

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD resolutions adopted at a mass meeting of all organizations affiliated with St. Michaels Ukrainian Orthodox Church, held at Minneapolis, Minn., on December 16, 1945.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

Whereas in recent months many letters and much reliable documentary information have been received from various Ukrainian and American sources to the effect that on the territories of Germany, under present American, British, and French occupations, as well as in the adjacent western European states, there are now hundreds of thousands of Ukrainians who were liberated by the Allied armies from German concentration camps and slave labor; and

Whereas many of these stranded Ukrainians are now being classed as displaced persons and political refugees under Allied control, and who, in many instances, are being forcibly repatriated by Soviet officials, who employ cruel and brutal treatment reminiscent of the medieval ages; and

Whereas many of these displaced Ukrainians and political refugees originally came from the territories of western Ukraine, formerly under the rule of Poland, Rumania, and Czechoslovakia, and who never have been citizens of Russia or of the Soviet Union prior to the beginning of World War II, and who are unwilling to return to their native land, because they know they will be subjected to unjust maltreatment, deprivation of human rights, exile into the Asiatic domain of the Soviet Union or even to the loss of their lives under various false accusations and pretexts, but mainly because they are nationally conscious Ukrainians, and struggle for their national freedom and sovereignty; and

Whereas every man and living creature instinctively loves its native home and abode, and all of these stranded Ukrainians would like to return to their native land, but they know by bitter experience and previous maltreatment that only torture, exile, and even death may await them upon their return to the Soviet Union, and many who are forced to return prefer to take their own lives rather than to undergo the miseries and tortures in Soviet prisons, concentration camps at hard labor, or to meet death in exile in the Siberian wastes, or to be liquidated outright; and

Whereas the secret Yalta Agreement, which provides for the repatriation of the Soviet citizens liberated by the American armed forces, is basically unjust to those unfortunate Ukrainians from eastern Ukraine, who happened to be citizens of the Soviet Union, endangering their lives and essential freedoms by such repatriation which infringes upon the principles proclaimed in the Atlantic Charter and those incorporated in the Charter of the United Nations Organization, as well as many commitments by the Allied Governments in regard to the aims and purposes of Allied cooperation in the recent struggle against the various phases of aggression, in which justice, dignity, and worth of human beings may be threatened; and

Whereas the Ukrainian people, by their heroism and active participation in the organized Ukrainian armed forces, and through the guerrilla efforts on their native terri-

ories or in the service in the Allied armies throughout the world have immeasurably contributed to the Allied success in the recent struggle against the forces of aggression; and

Whereas among the Ukrainian displaced persons and political refugees there are to be found many relatives of American citizens of Ukrainian descent: Be it therefore

Resolved, That we, American citizens of Ukrainian descent, assembled at this mass meeting appeal to the Government of the United States as well as to the Allied Governments of western Europe, especially of Great Britain and France, in the name of the dignity of man and justice, as well as for the sake of the basic principles of which lasting peace is to be founded, that—

1. The American Government and western Allies provide the right of adequate asylum to all Ukrainian displaced persons and political refugees, driven by war from either western or eastern Ukraine, who now may be found either on the territories of Germany under Allied occupations, or are stranded in western sovereign states, and give them protection from forcible repatriations to the Soviet Union; and

2. That immediate efforts by the United States Government be made to create authoritative Ukrainian agencies, which in cooperation with the American Government and the Allies of western Europe may develop appropriate plans in order to resettle and establish these displaced persons in the countries willing to absorb them, and where they could find livelihood and a haven, without fear of persecution, reprisals, and unnecessary hardship; and

3. In the meantime equitable efforts be made to provide for the displaced Ukrainian people and political refugees now living in various zones of Allied occupations, supplying them with adequate food, clothing, shelter, and medical care until they could be satisfactorily resettled according to their own wishes, with the aid of the western Allied Governments. To this end American citizens of Ukrainian descent pledge their cooperation and assistance.

Mr. LANGER. Mr. President, "with liberty and justice for all" is a phrase that motivates the thinking of every good American. It was the cornerstone of this Nation. It was the heritage of Abraham Lincoln when he said that "government of the people, by the people, for the people shall not perish from the earth." It was incorporated in the Atlantic Charter, which bears upon the rights of people to select governments of their own choice by the will of the people themselves.

It is now our duty to see that the phrase does not sink into nothingness. We must see that liberty and justice for all are not mere words spoken rhetorically as we pledge allegiance to the flag, but living words breathed into actual facts. The great well of good will about which Wendell Willkie spoke in his One World is fast drying up in all parts of the world, as we allow power politics to prevail and minority groups to be persecuted.

It is my belief that unless we allow such national groups as the Jews, the Indians, the Indonesians, and the Ukrainians to express themselves through their own duly elected governments we are allowing to ferment injustices that will one day again boil into another world war.

In Europe there are 30,000,000 Ukrainians who for generations have been pawns in the hands of the Russians, the Poles, and the Germans. Today thousands are



scattered all over western Europe, homeless, starving, lonely, and afraid.

The Ukrainians have lived for centuries in the territory that is now one of the 18 Soviet Socialist Republics of the Soviet Union. Back in the time of the Russian Revolution the Ukrainians had their own Ukrainian National Republic and waged war to preserve its sovereignty. When finally it was overthrown by Russia, the struggle for freedom went underground. The Russians did all they could to quell the desire for freedom of religion and of press by a state-fostered famine in 1930, by banishments, and executions. Intellectuals and the clergy were the chief victims.

It is understandable that there was a mass exodus of Ukrainians westward soon after the World War started. It will be recalled that it was victims of persecution who trekked westward to the promised land of America and wrote the Declaration of Independence.

It is regrettable that the man who defined the four freedoms involuntarily helped to revive a form of slavery in Europe when he secretly agreed at the Yalta Conference that American military authorities had to deliver to the Soviet authorities those persons in American zones of occupation who were Soviet citizens in 1939. That secret agreement is now being ruthlessly carried out. It is directed especially at the Ukrainians, thousands of whom do not wish to return to the Soviet Union for fear of being banished or liquidated. In their desperate way, many of them are by committing suicide protesting this forceful shipment of people as mere cattle.

I might say, Mr. President, that some of them have relatives in the United States, many of them in the great State of North Dakota.

Because of unrest and dissatisfaction, Hitler undoubtedly believed that it was advisable to attack the Ukraine for he would find less resistance there. This was another of Hitler's miscalculations. The Ukrainians who remained, the bulk of the population, were Russians first. Ukraine resisted. Ukraine fought back. In fact, Ukrainian leadership in the Russian Army helped break the military might of the German Army.

The result, when the Germans overran the countryside, was that hundreds became handcuffed to the Nazi war lords and were sent into Germany to labor for the Reich. In the meantime their homeland was ravaged by armies that plundered as they advanced and carried out a scorched-earth policy as they retreated.

When the American and British arrived on the Continent, Ukrainians flocked to the American and British zones of occupation. One letter from a relative of a North Dakota farmer said, "We feel as if heaven beset the earth when the American and Allied armies liberated us and took care of us."

But now we have forsaken our role as protector of oppressed people and are actually forcing the return of Ukrainians to the USSR whether they want to go or not. If anyone is unable to prove he is not a Soviet citizen, he can be herded into a truck and secreted away.

It is hard to believe in this country, but many of these people, especially the intellectuals, are marked men, and face the prospect of death upon their return to Russia.

A letter written by a western Ukrainian leader of the democratic intellectuals and an admirer of Anglo-Saxon culture states:

We are in a very tragic situation. Our only hope is in God's mercy. If we are not worthy of it, we shall perish. American democracy has been for us a great disillusionment. We were persecuted by the Poles, we were persecuted by the Germans, we were persecuted by the Bolsheviks, and now under the democratic occupation our fate is uncertain.

It is high time that our professed principles of liberty and justice for all which have encouraged the peoples of the world for over a hundred years, be brought to focus again. Under the flag of the United States, every individual, regardless of color, race, or creed, should be granted liberty. He should not be forcibly tracked down like a criminal. A man has a right to his own political beliefs. If he is guilty of disagreeing with those in authority, he should not be forced to return to a country where such disagreement is synonymous with death.

We must give the Ukrainians an asylum where they will have freedom of speech, freedom of religion, freedom from want, and freedom from fear.

When we do this, we are recognizing and thanking the hundreds of thousands of veterans of Ukrainian descent in this country who fought so valiantly. As an example I cite the case of George Klym, of North Dakota, who fought bravely the Japanese invaders in the Pacific, and killed more than 20 of them even after the loss of his eyesight.

When we do this we are announcing to all oppressed peoples of the world that the words we speak so fluently come from the heart and are not merely "sound and fury signifying nothing."

The decisions reached at the San Francisco Conference are not helping the small races in their desire for self-determination. The great powers seem to be a law unto themselves. That state of affairs must cease if we are to have peace. It is high time the United States realized she is a country formed in the first place to resist persecution. She must take to heart the problems of people like the Ukrainians, the Jews, the Indonesians, and the Indians who are being treated unjustly. If we do not, the cantankerous boils caused by discrimination will burst open and the poison of hate will spread throughout the world, resulting in another World War.

#### SMALL BUSINESS AND CIVIC WELFARE (S. DOC. NO. 135)

Mr. MURRAY. Mr. President, the Senate Small Business Committee has been conducting some studies of small business and its relation to civil welfare. In this connection the committee has requested and received from the Smaller War Plants Corporation a report entitled "Small Business and Civic Welfare," which deals with this matter. I ask unanimous consent that it may be printed as a Senate document, with illustrations.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. MURRAY. I yield.

Mr. LANGER. I should like to ask what the situation is in reference to the Big Inch and Little Big Inch pipe lines? What is the present attitude of the Senator's committee respecting the sale or leasing of the Big Inch and Little Big Inch pipe lines? Has the committee taken any action of any kind on that question?

Mr. MURRAY. The committee has not taken any action in the matter. It has carried on some studies, but it has not made any report on the subject. I think the matter is probably before the subcommittee of the Military Affairs Committee, headed by the Senator from Wyoming [Mr. O'MAHONEY]. The matter has only incidentally been looked into by the Small Business Committee, but it has not made any report on the subject.

Mr. President, as chairman of the Senate Small Business Committee, I wish to bring to the attention of the Senate a report which the committee is making public today—and which is being published in line with the committee's program to study and investigate problems of small business and to make available the findings of such studies to the President, the Congress and the people of the United States.

Along with the Senate Small Business Committee's concern with the day-to-day problems of small business throughout the reconversion period, is also its program to study and report upon broader economic trends affecting the interests or survival of small business. The increasing concentration of economic power in the hands of a few is one of our deepest concerns, and the report which is presented today deals with a vital aspect of this trend, the relation of small business to civic welfare.

War production has given great impetus to the concentration of industrial power—gains superimposed upon an already extremely high level of economic concentration. A few gigantic corporations are now responsible for the bulk of America's entire industrial production and employment. In 1944, 2 percent of the manufacturing concerns in the United States employed 60 percent of the industrial workers.

How does this concentration of economic power affect the general welfare of our cities and their inhabitants? This is one aspect of the concentration problem which has received little attention, despite its obvious importance.

The committee looks upon the report presented today as a pioneer study of its kind. Its material was made available through the cooperation of the Smaller War Plants Corporation, which has submitted the results of its findings on an over-all study of concentration trends to the Senate Small Business Committee for consideration. This report—the first in a series—was prepared by Dr. C. Wright Mills, associate professor of sociology at the University of Maryland, and by Mr. Melville J. Ulmer, who was senior economist with the

Smaller War Plants Corporation, under the direction of Dr. John M. Blair, formerly Director of the Office of Reports, Smaller War Plants Corporation. The committee's decision to publish the report came after a thorough examination of its methodology, validity and reliability of the findings by Dr. Dewey Anderson, executive secretary of the Senate Small Business Committee, who is also an authority in the field of social sciences.

The report reveals, for the first time, by scientific measures, that communities in which small business predominates have a higher level of civic welfare than comparable communities dominated by big business. As the report states, other studies of larger areas and more cities should be made to clarify the situation further, but even these tentative findings are so important as to warrant the careful consideration of all of us in America who are concerned with establishing and maintaining the forms of economic organization which will provide the most healthful and desirable way of life.

In urging my colleagues to read the copy of the report which will be supplied them, I can avoid taking up the time of the Senate, Mr. President, in a detailed comment on the data it reveals. The broad conclusions are—

First. That small-business cities provide a considerably more balanced economic life than do big-business cities. In small-business cities employment is more diversified, not only in numbers of firms and different manufacturing lines, but a much greater proportion of workers are engaged in wholesale, retail, and distributive pursuits. On the other hand, the entire pay roll of big-business cities are largely dominated by one or a few great industrial firms. The mere decision of one corporation to move its local plant to some other area would be sufficient for economic collapse in a big-business-dominated city. Unemployment is greater and fluctuations in wages and number of business enterprises are larger in big-business than in small-business cities.

Second. The gap between the incomes of the few very rich and those of the poor appear to be greater in big-business cities. In small-business cities a larger proportion of the population earn medium or high incomes, own their own homes, pay more taxes.

Third. The most important test applied to big- and small-business cities was the measurement of the general level of civic welfare—including such factors as health, housing, sanitation, education, and recreation. It was found, for instance, that an infant's chances of surviving his first year of life were greater in a small-business city than in a big-business city. Public expenditures on libraries—per capita—were 10 times greater, and on education—per student—20 percent greater in the small-business than in the big-business city. The development of a strong independent middle class was more evident in a small-business than in a big-business city, civic spirit more pronounced, and participation in civic activities more widely shared.

This report is not final, for Nationwide studies should be made of this im-

portant topic. Even this limited exploration, however, presents conclusions which high light problems of deepest concern to those of us who would preserve and strengthen free enterprise. Economic concentration can never be justified if it tends to develop cities in which business instability is high and where there exists overcrowding—high infant mortality—low per capita public expenditures for education, health, and recreation—low per capita installations of electricity, gas, telephone—and lack of other improvements and necessities of life.

The Senate Small Business Committee hopes in further reports and investigations to trace the effects of economic concentration upon our national welfare and to present those facts forcefully to the Congress and to the American people.

#### THE STRIKE SITUATION

Mr. BRIDGES. Mr. President, I have just returned from a brief visit to New Hampshire during which I talked with hundreds of people. The people with whom I talked represented a cross section of every occupation of life. I want to tell the Senate that I have never found the people of New Hampshire more confused than they are today. They are not only confused but they are sick of conditions which prevail throughout the country. They are sick of strife and they are sick of strikes. At every turn I made I heard a demand for intelligent leadership.

The people of New Hampshire, as did all the American people, took wartime difficulties without complaint. They are not taking present conditions without complaint. There is no reason why they or any of the American people should.

Let me list a few of the items of which this greatest of all nations has always claimed an abundant supply but which today, apparently, only the chiselers can get. The people cannot get butter. They cannot get meat. They cannot get sugar. They cannot get shirts. They cannot get suits. Women cannot get stockings—any kind of stockings. No one can get underwear. Mothers cannot get diapers for their babies. There is no lumber for the repair of homes or for construction of new homes. There is not sufficient coal to heat the homes.

There is existing at this very moment in the State of New Hampshire and in the New England area one of the most critical shortages of all. I refer to the shortage of grain. For example, whole flocks of poultry which have been developed to very high standard over a period of approximately 40 years are already in forced liquidation. There is only a meager and disappearing supply of feed for poultry and other livestock.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. LANGER. I can tell the Senator, if he is interested, why his people are unable to obtain grain for poultry.

Mr. BRIDGES. Certainly I am interested.

Mr. LANGER. Our elevators in North Dakota are blocked with grain. Perhaps the chief reason why the Senator's constituents cannot obtain grain for poultry

and other livestock is that there is a shortage of boxcars. When I investigated the subject I learned that our Government had built 36,000 new boxcars for England; 2,000 new boxcars for Mexico; and 4,000 new boxcars for Argentina. If we had those, our grain could be transported to New Hampshire to feed poultry.

Mr. BRIDGES. The Senator from North Dakota has made a very interesting observation as to one of the contributing factors. There are other things to which I should like to invite the attention of the Senate. I was told by a flour manufacturer of New England that his concern had been in business for 80 years, and that this was the first time in 80 years that it had been unable to buy wheat from which to make flour.

The reaction of the returning serviceman is already beginning to set in. He is returning to a home front where conditions are almost as serious as any which existed in any of the theaters of war. The Army and Navy makes him a civilian, but he cannot get civilian clothes. He cannot get a suit of clothes or a white shirt. He cannot get underwear. He cannot buy an overcoat. I know a serviceman who is very close to me, who has been overseas and who had been seriously wounded and who has now returned to civilian life. He has been unable to buy an overcoat in the city of Washington to fit him. He is wearing now a coat I wore for years.

We tell the servicemen that they no longer have to live in barracks, but we provide no place for them to go. We tell them that they no longer must live on C or K rations, but when they return home they find that they cannot get the foodstuffs they have gone without so long. That is what they are up against when they return to this country.

I have told a little about the conditions which prevail in the United States, the greatest country in the world. This is an inadequate picture of a situation which is growing more serious every hour. I have heard the rumblings, Mr. President. I know that the people—certainly those in my section of the country—are sick of inaction. They are becoming convinced that those with authority to act not only are unwilling to act, but apparently lack the ability, the courage, and the vision to take the necessary steps to place this country on an even keel.

Something must be done, Mr. President. The farmers must have feed. We cannot simply drive the producers of food out of business. It does not make sense, because supplies on the market are meager. The farmers of New Hampshire and off all the other States of the Union deserve the consideration which will enable them to continue their operations.

In my State of New Hampshire there has been developed a large poultry industry. There has been developed in my State a breed of hens known as New Hampshires. This is the outstanding utility breed of poultry in the world. Hatching eggs and day-old chicks are shipped all over the country and all over the world. If those who have been building up this breed for the past 20 or 25 years and who have brought it to its present state of perfection are forced to



liquidate their flocks; their work will be set back 20 or 25 years.

These are conditions which we face, and there is no excuse for them. The men who are returning from the war deserve at least a shirt, a suit of clothes, an overcoat, and underwear. They deserve jobs, too. If those in high places do not know what to do, I hope they will be fair enough to tell the American people so and let the American people or Congress prepare to take some of the steps which are necessary to correct these conditions.

Mr. President, I have received a letter dated February 11, 1946, from Frederick E. Cole, commissioner and secretary of the New England Feed Conference, and also commissioner of agriculture of the State of Massachusetts. He states in the letter that some 300 representatives of farming interests, including farmers, members of the grain trade, commissioners of agriculture, and other agricultural officials from all over New England, met in Boston on February 8 to discuss the feed situation; and with his letter he encloses a copy of the resolution which was adopted there. I ask unanimous consent that they be printed at this point in the RECORD.

There being no objection, the letter and resolution were ordered to be printed in the RECORD, as follows:

COMMONWEALTH OF MASSACHUSETTS,  
DEPARTMENT OF AGRICULTURE,  
State House, Boston, February 11, 1946.  
Hon. STYLES BRIDGES,  
United States Senate,  
Washington, D. C.

DEAR SENATOR: Three hundred representatives of the agricultural industry, consisting of farmers, the grain trade, commissioners and other agricultural officials from all of the New England States, met in Boston on February 8 to discuss the feed situation.

The attached resolutions were born in the desperation of the moment and in the fear of insufficient feed to meet minimum requirements. These farmers cannot stand increased prices for feed. The recommendations for increases in the cost of corn and byproducts were only admitted as a last resort to keep a supply coming into the area to meet the daily requirements of the stock on hand.

Our farmers are perfectly willing to make an adjustment in the numbers of poultry and request only that farmers in other sections of the country make a corresponding adjustment.

New England farmers have done well to maintain cow numbers as well as they have. They have not been able to increase during the war, in contrast to some sections of the country. The milk shortage that we have been experiencing since October is the worst remembered by present operators. It looks now as if there would be another milk shortage next fall. The amount of dairy feed coming into New England should not be cut 1 pound. These men however, with an unsubstantiated hope that somehow the income for their product would be increased to offset increased cost, have gone on record in favor of increasing the price of feed merely to get enough to meet current requirements.

These resolutions should be read carefully and interpreted as a desperate effort to meet a desperate situation. They try to present a solution that would not seriously endanger the price controls that are considered to be by ever-increasing numbers, a vital safeguard.

Please do your best to get some feed into this area at once. You can pledge an equi-

table adjustment of livestock numbers to fit the over-all grain supply in the long pull.

Very truly yours,

FREDERICK E. COLE,  
Commissioner and Secretary, New  
England Feed Conference.

REPORT OF THE SPECIAL COMMITTEE APPOINTED  
AT THE NEW ENGLAND FEED CONFERENCE

Whereas New England livestock and poultry producers are facing an immediate and critical feed shortage; and

Whereas our New England citizens are largely dependent upon regional production of milk, eggs, and poultry for food: Be it therefore

Resolved, That the 300 representatives assembled here, consisting of farmers, feed dealers, commissioners, and other agricultural officials of all the New England States, recommend:

1. That the Government adjust the ceiling price of corn so that it is at least as profitable for corn producers to sell corn to regular trade channels as to feed it to livestock;
2. That the Government increase its effort to provide adequate transportation to effect an immediate movement of grain to deficit feed areas;
3. That Congress immediately establish its policy in regard to price control for the next fiscal year;
4. That all feeder and trucker differentials unfavorable to the movement of carload shipments of grain through normal trade channels be eliminated immediately;
5. That the Government adjust the ceiling prices of hogs to encourage marketing at lighter weights;
6. That Congress complete its study of the parity formula in the light of present conditions to the end that a balance between livestock production and feed supplies may result;
7. That the Government adjust the ceiling price of all by-product feeds to an equitable relationship with grain price.

RAYMOND G. BRESSLER,  
Chairman.  
FREDERICK E. COLE,  
Secretary.

Mr. BRIDGES. Mr. President, in closing, I wish to say that although our Nation has vast natural resources and powerful forces of production, and although we have emerged victorious from a great war—the German war was over 9 months ago and the Japanese war was over 6 months ago—yet today we find that we are worse off in many ways than we were at the height of the war, and nothing seems to be done about it. Mr. President, it is time that the economic balance of this country is properly appraised, and it is time that steps are taken to correct the terrific and terrible conditions which hourly are growing worse all over this Nation. We need forward-looking and courageous leadership in high places—we are not getting it now.

ARGENTINE NAZI COMPLICITY—STATE  
DEPARTMENT MEMORANDUM

Mr. HATCH. Mr. President, I have received so many telephone calls this morning and have heard so many comments with reference to the memorandum issued by our State Department with respect to the Argentine situation that I desire briefly to comment upon the memorandum.

The memorandum issued by our Government for release to the papers this morning is a comprehensive document dealing with Argentine Nazi complicity.

In a way, this memorandum constitutes a departure from the usual course of diplomatic dealings. It is a bold, frank statement of facts—facts which have been rather generally known for a long time. Heretofore, the situation in Argentina has been described by Department of State officials in general terms. Even though general, the statements have been sufficient for most of us to appreciate the existing state of affairs in our neighboring country. We knew Nazi and Fascist influences had been strong and that actual collaboration between Argentina and the enemy countries had been great even in time of war.

Notwithstanding this general information, the document this morning sets forth a bill of particulars, with a forthright statement of facts amounting to an absolute indictment of the present and preceding regimes in Argentina—to an extent shocking, even to us who have long believed this condition existed.

I do not know how this frank approach to a delicate situation will be received in our own country. Probably there will be some who will deplore the statement. There may be some who will accuse our Government of "meddling" where we have no business to "meddle"; and some may even say this is an indictment of internal policies of another nation, and, therefore, is wrong; that it is none of our business. If such an attitude on these or other points is taken I want to disagree in advance with such positions.

In the first place, the indictment brought by our Government against the Argentine Government does not relate solely to the internal affairs of that country. It does relate positively to Argentina's dealings with other and enemy nations, and which was a course diametrically opposed to the institutions of free government, not only in our own country, but in every nation of the Western Hemisphere. It rightly indicts and condemns a government within Argentina which would destroy, if it could survive and control, every vestige of free government in this hemisphere. That certainly is our business. It is the business of every nation in this hemisphere.

We not only have the right to expose and condemn openly such course of conduct in Argentina, but it is our duty and obligation to do so, not only in the interest of our own safety and welfare, but in the interest of the safety and welfare of every nation in this hemisphere and also throughout the world.

While it is universally accepted that any nation has the right to adopt such form of government as it may choose and to be free from external control or direction, nevertheless, that rule has long been subject to limitations.

Mr. BRIDGES. Mr. President, will the Senator yield at this time, or does he prefer to wait?

Mr. HATCH. No; I am glad to yield.

Mr. BRIDGES. I am interested in what the distinguished Senator from New Mexico is saying. I, too, have been interested in the memorandum issued last night by the State Department. I should particularly like to know how it could have been that, when our Government had assembled these facts, we should have been the nation which

recommended the admission of Argentina as a member of the United Nations, at San Francisco.

Mr. HATCH. Mr. President, the document itself deals with that point. If the Senator will read all of it, he will find that it is dealt with there.

Mr. BRIDGES. I am sorry I have not been able to read all of it thus far. I have read principally the newspaper accounts.

Mr. HATCH. I will say frankly that some of us disapproved of that action at the time, but the document itself deals with that situation.

Mr. BRIDGES. I thank the Senator.

Mr. HATCH. Mr. President, today, more than ever, it is generally recognized that no nation has the right to adopt a form of government notoriously opposed to the welfare of the society of nations as a whole. In proceeding as she did with setting up a totalitarian rule, destroying the freedom of her own citizens, collaborating with the Nazi powers, Argentina brought herself, by her own conduct, within the exceptions to the general rule that she had the right to pursue whatever course she might choose.

I have spoken generally of a rule long recognized by international law. Surely it is not necessary to point out that the course Argentina has pursued is in direct conflict with the principles, aims, and purposes of the United Nations Organization. Without discussing the propriety of her admission as a member of the United Nations Organization, a course of which some of us disapproved at the time, it may be pointed out that the covenant agreed upon at San Francisco contains provisions which, under the indictment brought by our Government, would be sufficient to warrant expulsion of Argentina from the society of nations created by that document. Certainly it was well within the province of our nation to submit this indictment, this plain, forthright memorandum, to our sister countries of this hemisphere. Surely we have actually furthered the solidifying of the nations of the Western Hemisphere by making this frank statement and suggesting the desire of this Government to receive the views of the governments of other American Republics.

Mr. President, I further approve this document because I have been one who has not agreed with the concealment of essential facts concerning relations with other nations, as has been so often the case when the ordinary diplomatic channels are followed. In an address made by me in the Senate on the 23d day of November, I strongly condemned the whole system of diplomatic negotiations which has existed for generations. I condemned secrecy, intrigue, and deception, in dealings among nations. I even said "that much of the misery of war and human suffering and sacrifice on the battlefields have been occasioned by the unholy acts of so-called diplomatic dealings among nations."

Only recently I have been disturbed by revelations of secret agreements and understandings which were not made known to the American people. While I fully realize that preliminary discus-

sions and negotiations cannot always be held in a public forum in the way we conduct our deliberations here in the Senate, nevertheless, every secret agreement which is revealed only impresses upon me more strongly than ever that the statement of last November that deception, intrigue, and secrecy only lead to greater evils than the evil at which they are sometimes directed, was absolutely correct.

Because I am so opposed to secrets and deceptive arts, I wholeheartedly approve the bold and comprehensive statement of the Argentine situation which has just been released. Let the consequences be what they may temporarily, nevertheless I am certain that in the long run the long-term relations between us and our sister nations in this hemisphere will be strengthened by this frank indictment of practices in one nation which, if permitted to grow and continue, might eventually spread into all other nations to the ultimate destruction of whatever freedom may exist today.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. BRIDGES. Does the Senator believe that it would be constructive if the Foreign Relations Committee, of which the Senator and I happen to be members, were to look into this matter in some detail?

Mr. HATCH. I certainly do believe that it would be constructive. I think it would be most instructive and informative if every Member of this body were to take the document to which I have referred and study it carefully. I know how busy we all are. We receive these matters constantly in our mail, and we simply do not have the time to give them the detailed study which they deserve. But I think it is most important for every Member of this body, as well as every person in the country, to read this comprehensive and complete document.

#### DARK BREAD

Mr. CAPPER. Mr. President, I am sure that if going to "dark bread" in the United States will save human beings from starvation in Europe, everyone in the United States will make the change cheerfully. Changing the wheat extraction rate in milling flour from 72 to 80 percent will result in a darker, coarser flour. The Department of Agriculture estimates that, on the basis of 225,000,000 bushels of wheat, the change would make available as flour between twenty and twenty-five million bushels more than at the 72-percent extraction rate.

However, I myself am in doubt whether such a move will make more food for human beings. Under present procedures in milling, approximately 28 percent of the wheat which is milled comes out in the form of mill feeds for animals, particularly cattle and poultry. If the extraction is increased to 80 percent, the mill feeds residue is reduced by nearly one-third. Yet the number of animals, including poultry, in this country is still at almost an all-time high. The reduction in meat, dairy, and poultry products may more than offset the promised saving in wheat by going to dark bread. I am informed that it

is likely also to result in an increase in production costs for bread and pastries, as well as for meats and dairy products. This sudden discovery of the critical food shortages in the Old World and the sudden decision that one of the solutions is to make these overnight changes affecting the entire food and feed practices of the Nation are, I must admit, rather confusing to me. I am ready and anxious to divert to the starving people of the rest of the world every pound of food that can be scraped together for that purpose, and I am equally certain that that is the way all our people feel about it. But I am far from certain that this "robbing Peter to pay Paul" program will result in more food for a hungry world.

That part of the program which reduces the allowance of wheat and other grains for making alcoholic beverages is all right with me. Too much of our food and feed supplies are already being distilled and brewed into liquors and beer.

I was much interested in the reports of a press conference held by Secretary of Agriculture Clinton P. Anderson at which he said, in substance, that this is just another case of the United States Government making more promises—he used the the word "commitments"—than it can perform. The administration promised to hold corn-ceiling prices down, and the hog-price ceilings up until September 1946, at a ratio intended to get heavy hogs, because of the shortage of fats and oils. Now it is proposed to force the immediate marketing of all heavier than 225-pound hogs, and then place a penalty on hogs over that weight, offset by a premium on marketing lightweight hogs, to conserve feed supplies. The Secretary said further, that the food commitments to Europe are such that, if they are kept, the corn-hog promises cannot be kept. The corn-price ceilings, he is quoted as having said, cannot be changed. The European feed commitments must be kept. So the hog-price promise is the one which will have to be broken.

One of the reasons for the program undoubtedly is what some call "psychological." Britain has gone back to the 85 percent wheat extraction, and other peoples abroad are on the "dark bread" ration. Therefore, as our State Department sees it, these peoples will be better satisfied with their lot, and with the contributions which the United States make toward feeding them, if they know that the people of the United States also are sacrificing in their own eating habits. Furthermore, if the American people are being required to make sacrifices because of the desperate plight of the people of Europe, that fact ought to help condition the American people and the Members of Congress for approval of the loan-subsidies—officially loans—to Britain, Russia, France, and other nations who expect to get theirs following the approval of the \$4,400,000,000 loan to Britain.

It also seems to me that back of all these programs is the intention to get congressional approval of the extension of the price and material controls for another year, at least, and to extend and



increase the consumer food subsidies through which the Treasury—meaning all of us—is to help pay everybody's grocery bill to the tune of more than \$2,000,000,000 a year: And, of course, the more activities in which the Government engages, the more Federal employees will be required to carry on the activities.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks several telegrams dealing with this subject from citizens and business concerns of Kansas.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

BUHLER, KANS., February 9, 1946.

HON. ARTHUR CAPPER,  
Senator:

The proposed drastic directives by our President seem most ill advised and unwarranted; neither will these regulations relieve the critical food shortage in any way. We think it high time that the Congress, who is the governing body in a republican form of government, make use of the right vested in them by the people and forthwith repossess such powers as were delegated to the Chief Executive for the duration of the war. In our Government the constituency who elect the Members of the Congress are directly responsible for what these elected representatives do or do not do. We, the people, are the Government whom you represent in Washington and we ask sound and sane legislation promulgated by those whom we elected. We sincerely plead that the will of the people be heeded religiously. We ask that your full influence and prestige be used to block the present directives of the executive department.

THE BUHLER MILL & ELEVATOR CO.,  
HIEBERT.

TOPEKA, KANS., February 8, 1946.

HON. ARTHUR CAPPER,

United States Senate, Washington, D. C.:

The proposal by the President to lengthen the wheat extraction and produce a low-grade flour for domestic use is unfair to consumers and the baking industry. This action would lessen consumption of wheat for many years to come, which is unfair to wheat farmers. Either lowering standards or rationing of flour will increase an already serious problem for wholesale bakers as volume will decrease. Bread prices have not been permitted to advance while costs have steadily risen, and if volume is decreased, bread prices must rise. Lowering of volume of business means further unemployment. There is enough wheat in this country if Government will adopt proper methods to bring it out. Situation is serious and must not be tampered with.

JORDAN BAKING CO.,  
By G. L. JORDAN.

JUNCTION CITY, KANS., February 9, 1946.

HON. ARTHUR CAPPER,

Senate Office Building,

Washington, D. C.:

Presidential orders to down-grade flour and bread place wholesale bread bakers in an untenable position with relation to present price structure. Volume production alone has enabled bakers to maintain 1942 price ceilings. This plan will seriously decrease volume of bakery production and will result in the long-term reduction in wheat consumption and the wheat farmers' income. If bakery products lose consumer acceptance now it will be years before we again reach 1946 levels.

KANSAS BAKERS ASSOCIATION, INC.,  
J. H. SHELLHAAS, Secretary.

XCII—80

Senator ARTHUR CAPPER,

Washington, D. C.:

We are opposed to 80 percent mill extraction as American people will stop eating brown bread and that means a tremendous potential future loss of legitimate markets from our consumers. Our winter crop still looks good and should the Northwest also come through with bumper crop we will need all of the markets available and then some.

PUBLIC TERMINAL ELEVATOR CO.,  
SAM P. WALLINGFORD, President.

#### FOOD AND HEALTH CONDITIONS IN EUROPE

Mr. WHERRY. Mr. President, on January 29, 1946, a group of Senators submitted a concurrent resolution asking the President of the Senate to appoint a nonpartisan investigating commission or committee to visit Europe and study there the food situation in not only our own zone of occupation, but in all zones in which we, as Americans, should be interested, and also investigate policies which are now in full force and effect to which we subscribed in the Potsdam agreement.

Several articles have been published relative to the resolution. I believe that one of the outstanding ones was written by Dorothy Thompson. It not only discusses the resolution, but adds some very timely observations which I think are of value to the Members of the Senate. I ask unanimous consent to have Miss Thompson's article printed in the RECORD at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

#### ON THE RECORD

(By Dorothy Thompson)

If President Truman's imposition of wheat controls and informal rationing comes as a shock to the American people, it is only because the facts about conditions in Europe have not been aired, but instead have been suppressed. Even now, President Truman's order does not illuminate the desperation of the situation. More can be learned from a discussion which took place in the Senate January 29, when Senator WHERRY, Republican, of Nebraska, introduced a concurrent resolution, signed by six other Senators, calling for a joint congressional group to make an official visit to Germany and other places to obtain information regarding conditions, and actions which might be taken to improve them.

The resolution states: "Whereas, reports reaching the United States from both Europe and Asia indicate that the policies of the major victors are subjecting millions to mass starvation; and whereas, the United States has been party to commitments and agreements reached among the victor powers which have led to these conditions; and whereas, Congress has been bypassed and the American people ignored in the formulation and implementation of these policies; and whereas, it is essential that Congress should obtain necessary information to request the President to take Executive action; therefore be it resolved \* \* \* Whereupon follows the proposal for first-hand study and report.

The discussion attending the introduction of this resolution brought out innumerable facts regarding hunger and health conditions, especially in Germany, and revealed that attempts to interest the administration, both by congressional groups and by various overseas millions of the Christian churches, and Mrs. Dwight Morrow's Food for Freedom, had been coldly received in the White House. The discussion occupies 11 pages in the CON-

GRESSIONAL RECORD, and the facts revealed were not challenged by anyone, but no news service carried the story.

The only organized attempts to tell the American people the facts about starvation conditions have come from outside the Government, and in order to get real light it has been necessary to read church publications like the Christian Century, the Commonwealth, the Unitarian, and Quaker reports, etc., all of which have been predicting since fall exactly the state of affairs that the President now, very late, admits, and now, very late, takes steps to rectify. The situation was thoroughly aired in the British House of Commons as far back as October, but our administration made no move further to publicize the facts or to follow the warnings of Sir Arthur Salter that wheat stocks must be diverted from unnecessary uses if millions of human beings were to escape famine.

Mass appeals, participated in by thousands of Americans, to open Axis countries—where conditions are worst—to American relief, and to reestablish postal services for personal relief to relatives and friends have been ignored. The President is not ahead of the people. He is way behind those who have managed to learn what is going on. The real trouble is that the terrible disorganization caused by the war, accompanied by political demoralization and break-down in all the Axis countries, and highly unstable conditions in liberated Allied countries, have been compounded by the Potsdam program, which will go down in history as the blindest, most stupid peace program ever enunciated.

Compounded of Morgenthauism, revengeism, economic morosity, and the suspicions of the victors of each other; made to compensate the Poles for their loss of territory in the east by awarding them vast stretches of German territory in the west, which they have neither the proper governmental authority, the people, or the tools to resettle and manage; agreeing in principle to the evacuation from eastern countries of the entire German-speaking population, numbering 10,000,000 or 12,000,000; deciding for the immediate collection of reparations in the form of industrial plant and agricultural machines and implements; dividing Germany into five zones, only four of which are under the four-power command in Berlin, the Polish zone being left entirely to the Poles, who are themselves demoralized by the alienation of legitimate government and any army with disciplined morale; destroying not only the political but also the economic unity of Germany, so that there is no intercourse between the Rhinelands and Silesia or Leipzig and Munich—the Allies at Potsdam made what is now coming to pass with mounting horror an inevitability.

It meant a sentence of death on millions of German, Hungarian, and other European women and children.

Its results are reflected in an official report from the Russian zone, where infant mortality was 90 percent in November.

We must now make sacrifices to help undo what our own policies have contributed to create. We must get food, medicaments, and relief into the Axis countries, from which UNRRA is barred. Starving masses are soil for anarchy, chaos, crime, insanity, epidemics, nihilism. Conditions in parts of Germany duplicate the horrors of Buchenwald and Belsen—and all in the name of democracy, Christianity, humanity.

#### PRICE-CONTROL POLICIES

Mr. WHERRY. Mr. President, I invite the attention of the Senate to an article written by Frederick C. Othman entitled "Current Shirt Crisis Stirs Our Hero to Strong Words." In his humorous way, Mr. Othman brings out the difficulties in which we find ourselves relative to our nonflexible price-control program. I am quite sure that in nearly all

our committee meetings Mr. Othman has been present. At times, in his humorous way, he drives home arguments either for or against flexible price control, and his arguments are of timely interest. Here is one which appeared in a newspaper last Saturday:

**CURRENT SHIRT CRISIS STIRS OUR HERO  
TO STRONG WORDS**

(By Frederick C. Othman)

The studious little men in long rows fiddle with their slide rules and make marks about the cost of living on their charts. Senator KENNETH WHERRY of Nebraska and I think they're blowing bubbles.

We believe they ought to get their noses out of their electric calculating machines, actually buy themselves a shirt—wow!—and guess again about the high cost of living.

**NOW, ABOUT SHIRTS**

The Senator told A. F. Hinrichs, Acting Commissioner of Labor Statistics, that his totals were screwy; that anybody knew the H. C. L. was far higher than the official figures showed. I remained neutral until the last of my old shirts, sorry day, went to the laundry and came back as locomotive wiping rags. I had to get new ones; that or a coat of paint.

There are plenty of shirts on sale in Washington; one leading haberdasher has shelf upon shelf of cotton shirts. The cheap ones I wouldn't even wear to a laundrymen's oyster roast. They cost \$7.95 each.

**AND, OH, THE COLOR!**

They come in gravy color, streaked with egg and/or cinnamon drops. They are the ugliest shirts, bar none, I ever saw.

The medium-grade shirts, a little better in quality and a little less wild-eyed in shade, sell for \$8.50. That's one for \$8.50, not four. Fool that I was, cold and desperate, too, I bought one of these. I've got it on now. It is the color of a cloudy day at sea, just before the dawn, but with white stripes every inch. I told the man it didn't look decent.

He said, no, it didn't. He said he'd show me his good shirts. I must report they were beautiful. They were in solid shades of soft yellow, blue, gray, green, and pink; they had good buttons properly sewn. The material was excellent.

**BUT LISTEN**

"Ten dollars each," the man said, "'They're going fast; you better stock up.'"

That made me sore. I told him I'd phone the OPA and that Chester Bowles, himself, would be over within 20 minutes to jail him as chiseler No. 1. He smiled a superior smile. He said he was used to hot-tempered but ignorant fellows like me.

Then, to help me, he showed me the OPA ceiling price tag on each shirt. He said the reason they were expensive was because the cloth was imported. "From Shangri La?" I demanded. "From Brazil," he said, "and made up special, strictly under all price regulations."

**CALLING MR. BOWLES**

Chester, what's going on here? Bureau of Labor Statistics, why don't you buy a shirt?

Statistician Hinrichs insisted his figures were correct, except for quality deterioration. He told Senator WHERRY he couldn't take every item going into his list of necessities and decide whether it was worth the price.

Let's take one item: My new pair of \$4.50 pajamas. They have no collar, they look sleazy, and they are speckled like a pup, but pajamas are pajamas.

**TRICK OF THE TRADE**

I put on the pants and drew the woven drawstring, and blooie! It busted. I pulled it out and it turned out to be two 1-foot pieces of drawstring, each sewn with three loose stitches to a doubled-up piece of cheese-

cloth. Only the woven cord showed; the cheesecloth was invisible.

What good is a pair of pajama pants that won't stay up? Chester, I'm asking you. Hinrichs, what do your statisticians figure pants like these are worth? You name the price and I'll sell 'em to you.

Mr. President, despite the humorous way in which the article is written, it drives home the unhappy fact that we are not getting production in the textile industry in this country, and the reason why we are not getting production is that we do not have a flexible price program.

I wish to thank Mr. Othman for this very timely article. Anyone who will go to a haberdashery store and investigate conditions will find that the problem is a real one. I know the situation is exactly as has been described by this newspaper columnist.

Mr. President, with that as a foundation I should like to state to the Members of the Senate that the Small Business Committee, over a period of 5 or 6 weeks, held numerous hearings on orders and amendments to orders and regulations which affect the production of some of the largest industries of the Nation. The small businessman is affected because the large industries are not in production. During the Christmas vacation, and during the intervening weeks since then, some of us have made a diligent study of the transcripts of the hearings before the Small Business Committee. From what appears in those transcripts five members of the committee have made a special report embodying their findings, and before Chester Bowles testifies Monday before the House Committee on Banking and Currency I think the findings by the five members of the committee should be printed in the RECORD. We had hoped to make it a majority report, but time does not permit the circulation of the report, if the Senate is to recess to Friday.

I ask unanimous consent at this point, Mr. President, that this special report of five members of the Small Business Committee, be considered as a report which will be filed as a minority report in the event a majority report shall be filed which the entire membership cannot sign. I thought first that I would ask that the report be inserted in the RECORD, but so important are the findings, that if the distinguished acting minority leader does not object, I should like to read them into the RECORD, and I think it will take me about 15 minutes. Is there any objection to my request?

Mr. HILL. To the request that the Senator shall read the findings into the RECORD?

Mr. WHERRY. Yes.

Mr. HILL. Of course, the Senator is well within his rights in doing that.

The PRESIDING OFFICER. The Senator can have the report inserted without reading.

Mr. WHERRY. If it goes into the RECORD in that way, it must appear in small type. I do not like to take the time of the Senate with only the two leaders present, but I believe that for the RECORD the report should be in the body of the RECORD, and I think it should be printed in a form that will be readable.

The PRESIDING OFFICER. It will be in the body of the RECORD, anyway, but will be printed in small type.

Mr. HILL. The Senator could have it put in the body of the RECORD; but the Presiding Officer is correct in saying that it would appear in small type.

The PRESIDING OFFICER. It will be in small type in either event, whether the Senator from Nebraska reads it or not, and it will appear in the RECORD in exactly the same place.

Mr. WHERRY. Am I to understand that if I read this as my report, it will be in small type in the body of the RECORD?

The PRESIDING OFFICER. The Chair is advised that under the rules that is the way it will appear.

Mr. WHERRY. It is not yet a report. It represents the findings of five members of the committee, and my understanding is that it will have the force of any other observation in the RECORD.

The PRESIDING OFFICER. The rule of the Joint Committee on Printing controls as to the character of type used.

Mr. WHERRY. Is it the ruling of the Chair that the rules of the Joint Committee on Printing provide that it will be printed in small type, anyway?

The PRESIDING OFFICER. Yes. The Chair is advised that, under the law, the Joint Committee on Printing determines such matters and gives instructions which control the Government Printing Office. Whatever the rule is, it will be followed.

Mr. WHERRY. Mr. President, I know of no rule which requires that if a Senator makes a speech on the floor of the Senate or reads something on the floor of the Senate it must appear in small type. My understanding is that such matter would be a Senator's own words, and would be printed in the same type as any of his speech. Am I correct?

The PRESIDING OFFICER. Of course, all speeches are printed in large, or 7½-point, type, but all excerpts, reports, articles and statements by others appear in small type.

Mr. WHERRY. Mr. President, I abide by the decision of the Chair, and I shall call attention to the topics which are discussed in the report. I ask, then, that the report be printed in the body of the RECORD following the observations I may make.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(See exhibit 1.)

Mr. WHERRY. Mr. President, the first part of the report, as I started to say, gives the reasons for making the investigation. It goes quite thoroughly into the different regulations and the orders which have been issued, and their impact upon business generally, especially upon the small businessman.

All people are in agreement with the premise that the stabilization of our Nation's economy is an objective toward the attainment of which it is the private and public duty of every citizen to strive with the same unrelenting singleness of purpose and tireless zeal that characterized our national effort toward the defeat of our enemies in war. All are equally in agreement with the premise



that increasingly abundant production is our best defense against inflation and our principal bulwark against the inevitable ravages of unemployment and the devastation of deflation.

I think we can all start from the premise that what is necessary is to get maximum production. As to the question of how to arrive at maximum production there are two schools of thought. I happen to believe that it is necessary, in order to get production, that business be permitted to operate under flexible prices. It is my contention, and that of the other Senators who signed the report, that unless maximum prices are so fixed that a profit may be made, production will not be obtained, and if we fail to get production, we will not be able to control inflation. There are others who feel that under Chester Bowles' system, now in operation, which is not flexible and under which only prices are controlled, we will somehow get production, but all the experience we have had since VJ-day establishes that the contrary is true, and the result is we are not getting production.

We have lived under that policy since VE-day, for nearly a year, and the fact is that we have not achieved maximum production in any of the industries of this country; so we cannot help coming to the conclusion that something must be done. We must either control all the factors that go into prices in order to set prices which will be stabilized with the wages of labor, or we will have to have price increases which will permit production, where increases in wages are granted.

We members of the Small Business Committee have found that the cost of living has gone even higher than is indicated by the statistics given out by Chester Bowles and by those prepared by different labor organizations. I think there is no dispute that we have discovered some hitherto hidden increases in the actual figures. I think there are places where wages must be increased. Where wage increases are made, we have to consider what the prices will be for the goods produced by that labor, because if we increase the cost of wages and materials to the point where manufacturers cannot produce at a profit we will not get production, and if we do not get production we cannot control inflation.

This is not a partisan view; this is not a party problem. It is the gravest problem the Nation faces. We must get production.

We begin on page 3 of the report with a statement under the heading "Contending arguments." The contending arguments of the two schools of thought on the subject are given in detail.

The next heading in the report is "The problem presented." That is the problem as to how vitally needed production can best be obtained.

On page 5 of the report we consider "Current economic factors." Under that subheading we go into the current economic factors which must be considered if we are to have a sound price program for our present needs.

Then we take testimony from the transcript and reveal it to Members of the

Senate, if they care to read it, and every Senator ought to read it, because if we are to control inflation, one way of doing so is to obtain production, and if we are to have price control for the next year and a half, all sections of the country, especially the cotton section of the South, are interested in profits sufficient to produce materials in order to give the consumers of the country the goods which they so badly need now, goods which are in great demand, but are scarce in the market.

All of us are interested, I am sure, not only in the production of raw materials but in seeing to it that other segments of industry shall fabricate the raw materials into the products demanded by the people of the country. We are interested in seeing to it that prices are sufficient to bring about abundant production and thereby enable us to eliminate the black market and do away with the high prices which were described by Mr. Othman in the news release I mentioned a moment ago respecting shirts.

Beginning on page 7 of the report we discuss existing legislation and how in the past it has been changed from time to time to meet current needs. We point to war standards being pursued today although our needs have changed.

On page 9 of the report we find the heading "Effect of postwar price administration." Under that heading we discuss what the effect will be under the present system without any amendment being made to the Price Control Act. That subject is discussed in detail.

Throughout the report we refer, in notes at the bottom of each page, to the transcript of the testimony offered by Government officials, by businessmen, by producers, by those representing labor, and by those representing management. We submit a very comprehensive report to the Members of the Senate. That is especially true with reference to the discussion of the effect of postwar price administration.

Beginning on page 13, we discuss the question of price and business incentive. A question the Senate will have to consider is, Can we get production without business incentive? Can we get it by allowing producers only to break even or by requiring them to stay in business at a loss? How do we want to provide the incentive? What do we want to pay to provide it?

Let me give an illustration. It will be recalled that about a year ago we were confronted with a difficulty respecting production of milk. The distinguished minority leader [Mr. WHITE] will remember that situation. There was a scarcity of milk, and we could not get a sufficient production of milk. I recall distinctly that one morning 17 Senators met under the chairmanship of the Senator from Vermont [Mr. Aiken]. The Administrator of Production appeared before us, as well as the Administrator of Price Control and the Secretary of Agriculture, and the head of the Commodity Credit Corporation, and of the Reconstruction Finance Corporation, and others who were interested in this subject matter. The purpose was to find out how greater production of milk could be had. What was

the best way to obtain greater milk production? Was it by the subsidy payment incentive route, or was it by the route of passing the increased cost on to the consumer? Whether one believes in the subsidy payment incentive route or the route of passing the increased price through to the consumer is entirely aside from the question. If it is necessary that there be price increase made in order to obtain increased production, then that price increase must be had, whether it goes through the subsidy route or through to the consumer. That is the matter which is discussed beginning on page 13. It was finally determined that it was necessary to increase price paid for milk 3 cents a quart in order to obtain increased production. When that price increase was made production increased, and milk became available. We got the milk, however, through the subsidy route. It was the contention made by those of us who are of the old school that the 3-cent increase should be granted, but that the price increase should be passed on directly to the consumer. I do not believe in the general policy of the subsidy. But in this case we obtained increased production through the subsidy incentive.

What do Senators want to do? This subject was ably discussed by the senior Senator from Georgia [Mr. GEORGE] on a previous occasion. He asked whether we wanted to obtain increase production through subsidies, or through the establishment of a price policy and also a comparable wage policy, in order that production could be increased and consumers could buy the things they need. Shall we establish a policy of increasing the price paid to industry so it may make a sufficient profit to enable it to bring about maximum production? I think both sides of that question are ably discussed beginning on page 13 of the report. On page 16 we find the heading "Need for suitable controls." I do not think any Member of the Senate wants inflation. We are all trying to curb inflation. We all agree on that matter. Some Senators feel we should immediately lift controls. Other Senators feel we should go along with the present controls which are not flexible. Others again feel we should have a flexible price control program in order to increase production; so beginning on page 16 of the report we discuss the need for suitable controls.

Mr. President, while I have many times resisted the policies of OPA, I am one of those who believe—and I want this indelibly stamped on the minds of Senators—that if we can obtain suitable controls, that is controls which are sufficiently flexible to assure production by establishing a maximum ceiling price, that can be done, providing all other factors which enter into the matter are likewise controlled. All other factors must be controlled as well. If not, it is my personal feeling that we can get along better without the price stabilization program we now have.

On page 21 of the report we make four recommendations. The first is:

That the maximum average price regulation and any and all regulations issued in whole or in part in pursuance of the cost

absorption policy presently being administered to be withdrawn and rescinded.

That, Mr. President, must be done if we are to get maximum production. The Price Administrator has no right to step into a private contract and take out of it, let us say, a 5-percent dealer's commission, which has been established through the years of competitive enterprise, and give it to some other segment of industry. If any saving at all can be made, it should go to the 140,000,000 people of this country, and should not go to one particular segment of an industry to which the Price Administrator might give it in order to secure production.

Furthermore, when we step into the field of the sacred rights of contract and take away what an individual has rightly earned down through the years, or will earn, based upon a traditional percentage mark-up which has been established by the competitive free-enterprise system, then we are taking away the rights of the individual. Such a thing should not be tolerated on the part of the Price Administrator.

The second recommendation is:

No maximum price shall be established or maintained for any commodity under authority of this act or the Stabilization Act of 1942, as amended, or otherwise, (1) below a price which will reflect to producers, manufacturers, wholesalers, distributors, jobbers, and retailers dealing in such commodity a percentage profit per unit, based on current costs, equal to the average percentage profit per unit earned during the calendar years 1937 to 1941, inclusive, or (2) which will reduce or result in the reduction of trade discounts or percentage mark-ups, with respect to such commodity, below the average established trade discounts or percentage mark-ups applicable with respect to such commodity during such calendar years.

The third recommendation is:

That Congress declare the obtaining of production paramount to the maintenance of existing price levels and prescribe legislative standards to assure that price controls be exercised in a manner calculated to secure maximum production.

I think all Members of the Senate can agree with that recommendation. We go even so far as to say—and I think it is correct—that possibly greater production could be obtained if production and price control were under one head, under one branch of the Government, because at this very time there is a constantly increasing breach between the branches of Government which are responsible for production and for price control. I am one who believes that if we could combine the two and put them under one head, and make one head responsible for price control and for production, we would have a much better stabilization program.

The fourth recommendation is:

That the appropriate committees of Congress give immediate consideration to legislation restoring jurisdiction to the District Courts of the United States to hear and determine any and all questions which may be raised by persons affected by any regulation promulgated under the authority of the Emergency Price Control Act and under the authority of any legislation which may be enacted in lieu thereof.

If that recommendation were carried out, Mr. President, the people of this

country would once again be free to go to their own local Federal courts instead of going through a no-man's land of OPA reviews only to wind up in a war court at the end of the labyrinth. The individual would be given his day in court which he does not have now because under present law if OPA issues an order which puts an individual out of business because he cannot operate under it, he has no right to go into the district court and obtain a restraining order setting aside the OPA order and allowing him to operate until a judicial decision is made.

In all the years during which the Republic has existed in every civil action and in every criminal action the right to appeal to any court of law has been in existence. Why should we not have it under the Price Control and Stabilization Act? What is done now? An order is issued, and in effect it is said, "You must operate under this order, even though it may take 6 months to get a judicial decision, and in the meanwhile you are wiped out, because the order discriminates against you."

Mr. President, it is only American justice that the citizen be given the right to go into a civil court of the land and there challenge the order and obtain a judicial decision, and prior to the time the judicial decision is made he should have the right to enjoin the Price Administrator from enforcing an order which is illegal and unjust, and which discriminates to the extent that it puts a man completely out of business.

Finally, if the determination is not made in the lower court he should have the right to appeal to the circuit court and then to the Supreme Court by certiorari. Why should he not have that right? What is done now is to protest the order to OPA and appeal to some department in the administration, and then go to the Emergency Court of Appeals, instead of being able to go to the Federal court in the individual's home State. A man charged in Nebraska must go all the way to Washington to this one departmental court in order to obtain judicial relief. This is wrong and should no longer be tolerated. The existing situation must be rectified, and I believe that my amendment will do it.

Mr. President, I did not intend to speak as long as I have spoken about this report. I hope Senators will read the report, and that Chester Bowles will read it before he testifies before the House Committee on Banking and Currency on Monday morning. I am satisfied that he should be made responsible for production and prices as well. We must have a price control program under which we can achieve production, because production is the only thing that will enable Chester Bowles or anyone else to whip inflation.

#### EXHIBIT 1

VIEWS ON EXISTING PRICE-CONTROL POLICIES  
BY SENATORS WHERRY, BUCK, CAPEHART,  
WILSON, AND CAPPER, MEMBERS OF THE  
SENATE SMALL BUSINESS COMMITTEE

#### FOREWORD

Soon after the cessation of hostilities it became increasingly evident that it would be necessary to examine Government policies regulating and affecting small business en-

terprise. Small business is such a substantial force in the national economy that the problems of one are synonymous with those of the other. Internal factors affecting the domestic economy in the transitional period challenge the sufficiency of the policies and the forces of Government to meet the needs of the Nation's economy. The following report deals with that problem in the light of developments which have ensued since the cessation of hostilities. It is respectfully submitted to the Congress and through it to the Nation in the hope and belief that it may tend toward the proper solution of that problem.

February 13, 1946.

KENNETH S. WHERRY,  
C. DOUGLASS BUCK,  
HOMER E. CAPEHART,  
GEORGE A. WILSON,  
ARTHUR CAPPER,  
United States Senate.

The Senate Small Business Committee, charged with the duty of studying the problems of the Nation's small business enterprises, is seriously concerned with the numerous and insistent complaints emanating from all parts of the country that businessmen engaged in almost every field of endeavor are experiencing hardship and difficulty in their activities as a result of certain price and other regulatory restrictions imposed upon them by OPA. Hearings were called and for 3 weeks the committee heard testimony from witnesses as to their day-to-day experiences under OPA regulations and their administration. The Price Administrator and others charged with the administration of these regulations testified, as did Government officials whose activities and functions bore upon the problems and were germane to the matters raised. The committee heard the testimony and views of officials, economists in private and public life, merchants, large and small, and those of other public-spirited individuals who gave sincere voice to their grievances, experiences, beliefs, and contentions.<sup>1</sup>

Among those who appeared before the committee were persons who urgently insisted upon the immediate discontinuance of further governmental regulation and supervision of business activity, advocating the prompt return of the free, competitive system of enterprise which prevailed prior to the imposition of the controls authorized by the Emergency Price Control Act and other wartime legislation, as well as others who with similar urgency insisted upon a continuation of existing regulations. These views, though diametrically opposed and wholly irreconcilable, were urged with equal vigor upon the committee as they have been and are being urged upon the Congress and other departments of Government.

It is common knowledge that persons in every walk of life and in every field of endeavor are divided in their views concerning this problem. However, the testimony before this committee established that, the conflict of opinion and the diversity of their views notwithstanding, all people are in agreement with the premise that the stabilization of our Nation's economy is an objective toward the attainment of which it is the private and public duty of every citizen to strive with the same unrelenting singleness of purpose and tireless zeal as characterized our national effort toward the defeat of our enemies in war. All are equally in agreement with the premise that increasingly abundant production is our best defense against inflation and our principal bulwark against the inevitable ravages of unemployment and the devastation of deflation. Here, however,

<sup>1</sup> Hearings were held on December 4, 5, 6, 11, 12, 13, 17, 18, and 19, 1945. During the 3 weeks 36 witnesses testified before the committee.



agreement ends and opinion divides as to the means whereby this keystone of the desired stability of our economy can be attained. It is no more singular to find one merchant opposed to another in his concept of what course Government should take to preserve and enhance our way of life than it is to find the views of one official of Government opposed to those of another.

#### CONTENDING ARGUMENTS

The proponents of continued governmental regulation point to various factors which constitute an inflationary menace—the existing scarcity of needed consumer goods of all kinds, the backlog of consumer demand built up by warborn restrictions of civilian production, the unprecedented accumulation of savings, the inordinate volume of currency in circulation, the necessity for continued deficit financing by Government. These and others are real and not fancied dangers and cannot be lightly viewed. The proponents contend that the only effective method of dealing with these inflationary dangers is to continue existing governmental regulation and even strengthen it.

The opponents of continued governmental regulation acknowledge the existence of the inflationary factors but they point to the existing disorganization of industrial output and attribute it in large measure to unsound governmental regulation imposed upon industry. They decry the regulations imposed upon the distributive outlets of our industrial economy as disruptive and undesirable. They urge the restoration of free competitive enterprise even during the transitional period as the best safeguard against the dangers of continued scarcity and contend that unless the benefits of that system are now restored, the unbalance between supply and demand will be inordinately protracted and the critical period prolonged with all of the dangers implicit therein. They point to technological advances in industrial operations gleaned from wartime experience and to the unprecedented productive capacity of the Nation which concededly is infinitely greater than that which existed prior to the war. They insist that the productive capacities of the Nation be immediately released from governmental controls which they assail as fetters to full production and maximum employment, and contend that if the Nation's productive potential is permitted to function freely and without the impediment of governmental restriction, supply will be brought into balance with demand and the Nation's present and future needs provided in ample abundance.

These and other arguments which are advanced by the contending forces are meritorious and commend themselves to the serious consideration of all persons concerned with the problem.

#### THE PROBLEM PRESENTED

Upon analysis it is apparent that both proponents and opponents of further governmental regulation rely upon the same force to defeat existing scarcities and other inflationary pressures; namely, the productive potential of the Nation. The real problem, therefore, is whether vitally needed production can best be attained through the medium of existing regulation, through the medium of other regulation, or without any regulation.

The determination of this problem necessarily requires consideration of existing conditions, the adequacy and adaptability of existing legislation to meet present conditions and study of the character of the regulations which have been imposed and/or administered since the cessation of hostilities.

#### CURRENT ECONOMIC FACTORS

Candor necessitates recognition of the plain fact that conditions presently extant have changed substantially from those which

prevailed at the time of the enactment of the Emergency Price Control Act, the Stabilization Act, and other wartime measures still in effect. Notwithstanding all effort to the contrary, the cost of living has risen substantially from that which prevailed prewar.

During the course of your committee's hearings, merchants from all parts of the country testified in detail concerning the disappearance from the market of low-priced, high-quality merchandise which characterized prewar production, and the deterioration of quality in almost all consumer goods, notably in apparel lines, household goods, and electrical appliances. A visual demonstration of the extent and degree of quality deterioration which has occurred in day-to-day consumer goods was afforded the committee through an exhibit compiled by a national retailers' association, which vividly portrayed and graphically illustrated hitherto hidden increases in the cost of living in an emphatically convincing manner.<sup>2</sup>

While the rise in the cost of living has been expressed in percentage figures in various published reports and governmental surveys, it is plainly evident that significant and substantial hidden increases have taken place which are not and cannot be expressed in percentage terms. These hidden increases are discernible in the widespread substitution of inferior commodities for the high-quality lines which were standard and predominated prewar, in the general deterioration of the quality of commodities and consumer goods of all kinds, and the disappearance of low-cost commodities from the market. Reports of the rise in the cost of living expressed in percentage figures, whether by Government or Government officials, are therefore wholly deceptive and entirely misleading—for the actual and experienced increase is substantially higher than that which is so reported.

Wage rates have risen 73 percent over the 1936-39 level. The price of raw materials has increased 53 percent and other legitimate business costs have risen substantially. Service costs, delivery, packaging, exchanges, and trade-ins in appliance and other lines, largely eliminated in wartime, are once again factors which inevitably have to be considered, as well as write-offs now being experienced due to sleazy ersatz wartime merchandise.<sup>3</sup>

#### SCARCITY OF GOODS

Almost 6 months have now elapsed since the cessation of hostilities toward the victorious termination of which the energies of the Nation had been solely directed for almost 4 years. Despite many and insistent reports that reconversion is proceeding with infinitely more speed than was anticipated,<sup>4</sup> the fact is that scarcities of all kinds and classes of consumer goods still pervade the market; inventories are virtually nonexistent; the Nation's raw materials are not flowing in the normal channels of distributive trades,

<sup>2</sup> The National Retail Dry Goods Association compiled an exhibit of several hundred items consisting of men's, women's, and children's apparel, toys, household appliances, electric irons, and other consumer goods of common demand. The exhibit was displayed in both Houses of Congress and was presented to the committee by Robert A. Seidel, vice president of W. T. Grant & Co., on December 5, 1945.

<sup>3</sup> See testimony of Wade McCargo, of Richmond, Va., on December 5, 1945; Charles Barhydt, of Walden, N. Y., on December 11, 1945; Walter J. Hollands, of Western, N. Y., on December 11, 1945; Otto Swanson, of Omaha, Nebr., on December 13, 1945; John B. Greer, of Loudon, Tenn., on December 13, 1945; Louis C. Knobbe, of Madrid, Iowa, on December 13, 1945.

<sup>4</sup> See testimony of Chester Bowles on December 4, 1945; John B. Small on December 11, 1945.

and the volume processing of such materials is not proceeding in a manner that augurs well for the Nation's economy.<sup>5</sup>

Merchants in every field of endeavor, long inured to wartime shortages, are necessarily relinquishing their understandable desire to replenish depleted stocks of goods normally carried by them to meet the requirements of business. All marketing effort instead is concentrated upon securing sufficient merchandise to keep doors open. They uniformly find that but a mere fraction of these requirements is available. Raw materials and finished products are painfully slow in reappearing on the market. The consumer's inability to purchase low-cost quality items and the necessity for compromising between what is desired and what is available is widespread and well known.

#### EXISTING LEGISLATION

It may be contended that sufficient time has not yet elapsed for sound conclusions to be drawn as to the efficacy and adaptability of existing legislation to the needs of the transitional period. While it would be manifestly unfair to evaluate legislative enactments in the light of subsequent conditions with which they were not designed to cope, the desirability of expediting the transition from all-out war production to all-out peace production is beyond question. It would seem sound, therefore, that government should be the first to proclaim the inadequacies or insufficiencies of existing legislation and administrative policies to deal with the problems which now beset us, if in fact they are found to be wanting in effectiveness.

The legislative enactments which are the tools and means now being utilized by the executive department in the dealing with the problems of these times were enacted by the Congress at the outbreak of hostilities and were calculated to meet the war needs of the Nation. The authority being exercised by the executive department of the Government flows from the Emergency Price Control Act, the First and Second War Powers Acts, and the Stabilization Act. These enactments were war powers, conceived, born in, and dedicated to an emergency brought on by hostilities and intended to be utilized solely for the duration thereof. For that reason, during the existence of hostilities the legislature extended the life and efficacy of such enactments for specified and limited periods and from time to time modified them by appropriate amendatory provisions deemed mete to deal with specific problems and changes as they arose. In some instances, amendments were enacted because of the manner in which those powers were being administered, in others, because of the authority asserted and contended for thereunder.

Thus Congress, in accordance with its prerogatives, placed limitations upon the authority of the Price Administrator to deal with cotton except in accordance with the Bankhead amendment; specifically prohibited grade labeling of commodities by the Price Administrator by the passage of the Taft amendment; prescribed certain standards with regard to personnel in the Dirksen amendment to the Appropriations Act; and directed the Price Administrator to deal with meat in accordance with the Barkley-Bates amendment.

The cessation of hostilities found the Government no longer engaged in active war but the state of belligerency brought on by hostilities still exists as its termination has neither been proclaimed by the President nor by Congress. A residue of power and authority intended to be applicable to the economy of a nation at war thus remains

<sup>5</sup> Monthly Report on Civilian Production issued by the Civilian Production Administration on January 28, 1945.

vested in the executive branch of our Government and is being utilized with regard to our present economy. It was scarcely within the contemplation of Congress that these powers, in their present form, should extend beyond the cessation of hostilities and that administrative policies formulated thereunder be utilized to regulate, govern, or direct a nation no longer at war.

#### EFFECT OF POSTWAR PRICE ADMINISTRATION

Since the cessation of hostilities, the discernible impact upon the Nation's economy of existing price authority and administrative policies leaves little to commend their suitability to our present needs. Regulatory measures intended to maintain a semblance of stability among forces affecting the Nation's wartime economy have hindered and obstructed civilian production although after the cessation of hostilities, such production became the Nation's prime objective. Reconverting manufacturers desiring to resume the production of prewar items, found themselves frozen to levels which rendered the resumption of normal business activity and the production of needed civilian goods impossible. Inept pricing policies and provisions for relief from hardship occasioned thereby have hampered production and fostered the deterioration of quality. Processes for obtaining relief were and still are complicated, almost endlessly time-consuming and frequently wholly unavailing.<sup>6</sup> Resort to artifice and subterfuge in securing price action has even been suggested by price officials.<sup>7</sup>

There can be little doubt that the Nation's economy and the success of our reconversion effort is suffering and will continue to suffer from the impact and application of administrative standards, policies, and processes not adapted to its present needs. The plain fact is that administrative methods pursued today are those which were calculated to regulate our war economy. Nevertheless they are still being superimposed upon the Nation's industry in the transitional period, notwithstanding the chaotic consequences of such action.

Distortions in the production and distribution of manufactured commodities urgently needed by consumers throughout the land have been and are now being engendered by various regulations, notable among which is the maximum average price regulation. Because of MAP urgently needed finished goods produced to sell at lawful ceiling prices have been withheld from the market, their sale at such prices be-

ing interdicted and rendered illegal through the inability of the manufacturer to offer lower priced commodities of the same class for reasons beyond his control—usually the impossibility of securing the raw materials necessary for the manufacture of the lower priced goods. Tie-in sales, although a violation of law, are virtually compelled by MAP and its strangulating effect upon commercial activity. Because of its provisions, the production of textile mills so vitally needed to meet war-created shortages of clothing is impeded and disrupted.

To say the least, it is curious that MAP is still in effect. An investigation conducted by a special committee of the House<sup>8</sup> brought to light the fact that it had been promulgated over the unanimous protest of the only persons in OPA competent to evaluate its worth and effect. The judgment of the agency's own experts was overridden by others within OPA admittedly lacking in experience and wholly unqualified to overrule the opinions voiced in opposition to the promulgation of MAP. Its declared objective was twofold. The first and foremost was to restore low-priced clothing to the market, and the second to require a pattern of production similar to that which existed in a specified base period. High agency officials, when pressed on the point, plainly admitted that MAP was a complete and absolute failure with respect to its primary objective—the restoration of low-cost clothing. In the face of insistent protests from all segments of industries affected thereby that MAP was disruptive and oppressive, the agency insisted that the secondary objective—restoration of a pattern of production—was being attained and this onerous regulation was continued despite all protests.

Upon analysis, it is plainly evident that MAP is not a price regulation but is clearly beyond the purview, scope and authority of the Price Administrator. In operation and effect it is as devious an endeavor to regulate production as it is obnoxious and impeding to full production. Recommendations for its abandonment by a committee of the House, as well as by Members of both Houses of Congress, by textile mills, manufacturers, and merchants have all been unavailing.

The importance of attaining maximum production of textiles as one of the prime contemporaneous needs of the Nation cannot be over-emphasized. Yet the disruptive effect of price policies imposed upon textile mills and maintained since the cessation of hostilities is such as to cause many mills to abandon traditional methods of production and to integrate their operations with functions historically performed by converters. In consequence, mills today are finishing or partly finishing their products instead of distributing them in the greige state. This results in the disruption of efficient channels of distribution established under the prewar competitive system indispensable to the proper functioning of our economy and causes finished goods to be narrowly distributed among comparatively few large manufacturers in a position to use a substantial portion if not all of a given mill's products. Small manufacturers are thereby afforded little or no materials for their operations except as assisted by CPA priority allocations.<sup>9</sup>

In its endeavor to correct inequities suffered by the meat packing industry, Congress made specific provision with regard to the imposition of price ceilings on meat. By the enactment of the Barkley-Bates amendment, Congress directed that a prewar margin of profit be provided on each specie of meat slaughtered and distributed. In direct violation of this mandate OPA made no

change in then existing prices. Four months later it announced a retroactive subsidy of 8 cents per hundredweight stating that it "had erred in its prognostications." In the interim, however, the very existence of many packers was threatened by enforced deficit operations. Relief from OPA being unattainable they sought financial assistance from the local banks only to learn that commercial credit would not be extended on the premise of administrative action expected at some future date. Faced with obstacles which were insurmountable and apparently insoluble, many packers were forced out of business. In one community—Buffalo, New York—21 packers were forced to suspend operations and cease business. Characteristically enough, the relief eventually granted by OPA was set at a level which left more than 25 percent of the industry in a deficit position. A further subsidy recommended by OPA left only 10 percent of the industry in a deficit position. Despite this acknowledgement that such prices were inadequate and not in accordance with the Barkley-Bates amendment OPA continued them without change, the law to the contrary notwithstanding.<sup>10</sup> At the hearings before this committee OPA, through its General Counsel, gave oral assurance that in the future the congressional mandate would be obeyed.<sup>11</sup>

The lumber industry is faring no better than other industries whose experiences and grievances were related to the committee. In consequence, the prospect of alleviating existing housing shortages is rendered more remote than ever. Full production and proper distribution in this industry, though vital to the economy of the Nation, is being stifled by unrealistic pricing policies and OPA techniques. Distribution of its products, as vital as production itself, is distorted and almost destroyed. Preprice control, the industry was divided into segments, each of which performed a valuable and significant function. The margin of each was established in relation to the service performed. The mill-shipping wholesaler rendered important distributive and consultative functions which greatly assisted small retail yards throughout the Nation, and financed both operations of mills and purchases of retail yards. His knowledge, experience and functions constituted a valuable adjunct in the industry. Throughout the war his knowledge and experience was utilized by the Government in securing and expediting the delivery of needed products. Because of present shortages and existing price levels mills are selling all of their production to other than normal outlets. Large-line distributive yards, being allowed a mark-up, can pay mill ceiling prices and most lumber is shipped to them. The mill wholesaler cannot compete because he must buy at mill ceiling prices but is allowed no mark-up on sales and is therefore actually being forced out of business. Although repeated protests have been made to OPA by all segments of the industry, this condition has prevailed for many months and nothing has been done to alleviate it.<sup>12</sup>

<sup>6</sup> J. D. Kappeler, of Carlstadt, N. J., testified before the committee on December 6, 1945. His firm, the Kappeler Brush Co., made over 4,700 items in the prewar period. Increased material prices and labor costs necessitated the filing of an application for price relief on February 7, 1944. After considerable delay, on August 2, 1944, an unsatisfactory price adjustment was made and the company was compelled to discontinue 51 percent of its business. The company now operates at a loss on its 432 remaining items, but must wait an additional 3 months before it can apply for relief from OPA.

<sup>7</sup> Testimony of Robert A. Seidel, on December 5, 1945. The Climax Hosiery Mills, of Athens, Ga., made split-foot hosiery prewar. During the war it was entirely in war production. When it desired to reconvert to civilian production it discovered that its ceiling price was inadequate. An official in OPA pricing branch could find no regulation that would afford the company the required relief, but suggested that an application might be filed on the grounds that the character of the business had changed. Window and door screen manufacturers, in order to obtain needed increases in prices, had to change their screening from 16 mesh to the inch each way to a new kind 18 mesh to the inch one way and 14 mesh to the inch the other way.

<sup>8</sup> Hearings before the Select Committee of the House of Representatives to Investigate Executive Agencies—June 1945.

<sup>9</sup> See testimony of Irwin Feldman on December 18, 1945.

<sup>10</sup> See testimony of Wilbur LaRoe on December 17, 1945; F. E. Wernke of Louisville, Ky., on December 17, 1945; C. Elsen of Cincinnati, Ohio, on December 17, 1945; Joseph P. McCarthy on December 17, 1945.

<sup>11</sup> See testimony of Richard Field on December 17, 1945.

<sup>12</sup> See testimony of Donald R. Meredith, of New York, on December 12, 1945; Austin P. Braun on December 12, 1945; Jerome M. Ney on December 12, 1945; Edwin W. Elmer, of Minneapolis, Minn., on December 12, 1945; Robert B. Cowles, of Springfield, Mass., on December 12, 1945; C. O. Aschman, of Chicago, Ill., on December 12, 1945; C. W. Matthews, of Seattle, Wash., on December 12, 1945; W. T. Turner, of Spartanburg, S. C., on December 12, 1945.



## PRICE AND BUSINESS INCENTIVE

Prior to price control consumer goods were competitively produced in tremendous quantities and were efficiently distributed and priced. Dollar margins of profits above the then level of costs were competitively established and were calculated to yield a return which in the light of risks involved would provide an incentive to business. Quality standards were high and always tended to higher levels because of competition. Research for the development of improvements was continually fostered. Profits received from business activity depended largely upon volume and efficiency of business organization and management.

Control as now exercised, broadly speaking, limits the producers and processors of raw materials, as well as manufacturers and merchants at all levels of the distributive outlets of our economy, to prices which prevailed in 1942, except as varied by in-line pricing techniques or adjusted by the application of other available pricing standards none of which gives full effect to experienced increases in legitimate costs of doing business. In consequence many commodities which otherwise would be available to meet consumer demands cannot be produced, handled, or distributed except at a loss or at prices which permit one only to break even.

Sound business judgment dictates the wisdom of abstaining from any endeavor which mathematically entails a loss. For our Government to expect or attempt to require, by policy or otherwise, that business enterprise be carried on with no hope or incentive other than to break even is sheer folly. Yet such is the effect which inevitably flows from regulations which deny producers of raw materials, their processors, the manufacturers of finished goods and the merchants who distribute them the right to recapture presently experienced costs except through a progressive diminution of prewar dollar margins of profit. The policy from which this stems, termed "cost absorption," is as fallacious as it is corrosive and destructive of business enterprise. It constitutes nothing less than attempted regulation of profit margins and proceeds upon the hypothesis that the Administrator and his staff are competent to better determine the margins of manufacturers and merchants than they themselves, that the judgment of OPA economists and other theorists can be substituted for the practical experience of businessmen in the management of their affairs and the operation of their enterprises, and that the activities of industry can be accommodated to absentee government management charged with no direct responsibility for the consequences of such policies. No nation's industry can long endure such regulation and survive.

The views of merchants throughout the Nation with respect to this OPA policy were aptly expressed by one of the witnesses who appeared before the committee:

"It appears to me that OPA's cost absorption policy is most unsound, unfair, and impossible.

"For all of 20 years that we have been in business, our percentage of mark-up has been about the same. I believe it was about the same as others in our line of business. We never seem to be making too high a mark-up. It seemed like a safe margin. At the same time it was pretty hard to keep going with the mark-up that we took.

"Now, OPA comes along and tells me, after 20 years' experience, that I should absorb additional costs, or in other words, cut my margin of profit.

"Have I been wrong all these 20 years? If so, why could I stay in business with competitors selling like merchandise all around?

"In cost absorption as well as other OPA policy, merchants are lumped together, and the same label used for all. There is real

danger in the careless use of this one label for all merchants, because we have so many different kinds of merchants. We have large merchants in large cities, and large merchants in small cities and small towns; we have small merchants in large cities and small merchants in small towns; chain stores; department stores, cash stores and credit stores; stores that give lots of extra service and stores that just hand you the goods and take the money.

"All these stores have a place in our economy. They each fill a place in their respective communities. Their methods of doing business and their needs are so different that there is real danger in permitting ourselves to think that what one could do, all the others could also do.

"I think that cost absorption might be very bad for many of our small town merchants. I am speaking for the small town merchants, because most of our business is in small towns.

"I have not been able to bring myself around to the line of thought that OPA's so-called price line is more important than the business firms of the country. The very fact that competition has kept my mark-up down to a certain figure through all these years and never forced me much below that figure is plenty proof that the mark-up figure must be right, and I am afraid that if it is tampered with the result will be ruinous."

## NEED FOR SUITABLE CONTROLS

No fair minded individual can justly minimize the benefits which inured to the Nation during the war years through the exercise by the Executive of the war powers granted by Congress to safeguard the Nation's economy, or decry the advantages which flowed from the administration of those powers. During the war years price controls were effective in minimizing price advances. To the limited extent that percentage figures afford an index to the effectiveness of the administration of price control it is noteworthy that prices increased only about 40 percent between 1939 and VJ-day in August 1945. One-half of the current increase in living costs occurred between September 1939, and the promulgation of the hold-the-line order in May 1943. Rents were held to approximately 4 percent over those prevailing at the time controls were put into effect. The effectiveness of the Government's effort to "hold-the-line" would have been tremendously augmented if the line had been authorized and applied to all forces affecting the economy instead of merely at price levels. But there is much to be grateful for in the task that was accomplished. The cooperation of the American people was a factor without which the administration of price control would have been nothing but a dismal failure.<sup>14</sup>

Having benefited from the administration of those powers during the period of hostilities, care should now be exercised lest the advantages gained be frittered away and dissipated through unwise administration of unsound policies and through the attempted development of a peacetime economy under inapplicable regulations and standards. A specific remedy successful in treating one ailment is rarely desirable for the treatment of another. Restraints necessary at the time they are imposed become shackles when their timely removal is neglected and delayed. Legislation, administrative policies, and standards designed to regulate and control the economy of a nation at war do not constitute appropriate instrumentalities for the

assistance of the Nation's economy after the cessation of hostilities. It must always be remembered that freedom is a way of life and regulation a habit which once indoctrinated is destructive of initiative and confidence. Long-enforced submission to regulation encourages addiction thereto.

Any reasonable interpretation of the testimony adduced at the hearings before the Senate Small Business Committee, as well as a reasonable survey of existing conditions convincingly establishes the necessity for the abandonment of war-born price policies and standards in administering to the present needs of the Nation's economy.

Of what avail is it that prices have been held within calculable limits if commodities are not obtainable at such prices? Of what avail is it that rents have been held to minimum levels if under present policies the construction of needed housing is rendered virtually beyond the ingenuity of man?

The returning veteran in need of clothing can derive little comfort, if any, to learn that price levels are being vigorously maintained in the apparel lines, if he is unable to obtain his requirements. He will derive less comfort from the action of Government officials who urge the amendment of War Department regulations so that he may lawfully wear his uniform beyond the 90-day period now authorized in lieu of eliminating impediments to the production of clothing which were created by their action. It will afford the veteran in search of housing little cause to rejoice in the extraordinary stability attained in rental levels, if under existing policies housing continues to be nonexistent and his search for quarters proves unavailing.<sup>15</sup>

Doubtless these conditions are in a measure attributable to the lack of harmony and strife in industrial relations, and to charge the administration of price control with their sole responsibility would be as manifestly unjust as the continuation of existing standards, policies, and criteria is inherently dangerous. While it is entirely true that without price control throughout the war the Nation's economy would have suffered infinitely more than it has, it is equally true that standards more suitably adapted to our present needs should take its place. It is plain that the continued imposition of existing policies and standards in dealing with contemporaneous problems and the present needs of our Nation's economy can only invite the disaster which it is the professed objective of government to avert. Thoughtless or ill-considered advocacy of continued application of existing legislative administrative standards to the present economy, if successful, may prove equally disastrous.

It is significant that even now, when the Nation is no longer preoccupied with the exigencies of war, no effective means is available to anyone whereby the legality and propriety of any regulation or policy being administered can effectively be challenged in any court in the land. The exhaustion of interminable, interlocutory administrative processes within OPA itself is a condition precedent. The challenge thereafter can only be tendered to a court intended to function during a period of hostilities. Compliance, in the interim, is mandatory regardless of the effect upon the protestant. Patent illegality on the face of a regulation does not alter the procedure which must be followed. More frequently than not irreparable damage occurs before relief can be obtained by judicial process. Continued insistence upon such procedures in the transitional period and the denial to persons affected by such regulations of access to the courts of the United States can only tend to bring the administration of government into disrepute.

<sup>15</sup> See Testimony of Ford Hinrichs, Acting Commissioner of Labor Statistics, Department of Labor, on December 19, 1945.

<sup>14</sup> The statements were quoted from the testimony of Van H. Priest of Madison, Fla., and a past member of the Florida Legislature, who appeared before the committee on December 11, 1945.

<sup>15</sup> See testimony of Chester A. Bowles on December 4, 1945.

There is no gainsaying the fact that the price policies administered since the cessation of hostilities have seriously hampered and impeded the production of needed consumer goods. Thus the scarcity which it is the professed objective of government to minimize, and which is cited in support of continued control, is aggravated and perpetuated by the control itself. This inevitably limits the opportunity for full employment and aggravates the difficulties of war-dislocated workers and returning veterans. The advocacy of further continuance of price control as it exists today is tantamount to an assertion that this war-born standard is as well adapted to serve our current needs as it was to meet the Nation's needs when sponsored and adopted. The assertion defeats itself, for what is needed today is production to end scarcities and stabilization at existing levels of cost factors to permit and stimulate the resumption of war-interrupted production of civilian consumer goods, whereas the Nation's needs at the time of the act's sponsorship and passage were totally different.

Restrictive control of the productive potential of the Nation and of business enterprise at every level of our economy can only be reconciled with a philosophy of fear and a lack of confidence in the inherent and proven productive capacities of our Nation. It is unthinkable that such a fear is well-founded or that the philosophy on which it is based is sound. To the precise extent that existing price policies impede that attainment of full production, the interests of the Nation have suffered. To the extent that they are further endured, the interests of the Nation must continue to suffer.

Factors influencing our economy today are such as to plainly indicate the necessity for, and wisdom of, maintaining controls, particularly for the purpose of limiting the few who through greed or cupidity might otherwise seek means of exploiting existing scarcities to their own advantage in disregard of their fellow citizens' welfare. The foreseeable needs of the Nation's economy require that authority to allocate scarce materials and commodities be strengthened and that all controls be exercised in a manner calculated to stimulate maximum production. Policies which are unrealistic and deny recognition to experienced cost increases, such as those presently administered, constitute a tremendous deterrent to needed production and tend to perpetuate the evil for the correction of which the control was sanctioned.

It is argued that the regulations and policies complained of are temporary in nature and will be promptly removed whenever supply is brought into a relative state of balance with demand but it is plain that the restoration of such a condition will not be facilitated and at all events must necessarily be delayed unless present policies are abandoned. Business incentive and price control are entirely compatible if the control that is exercised is realistic and sound. Pre-war dollar margins of profit were competitively established. Their restoration above existing costs would neither be inflationary nor extortionate. If permitted today the scarcity properly cited as an inflationary menace would rapidly be overcome and stability restored. Such a program must be undertaken at once and applied at all levels of our economy. Its administration should be simplified and carried out without reservation.

#### RECOMMENDATIONS

We recommend:

1. That the maximum average price regulation and any and all regulations issued in whole or in part in pursuance of the cost-absorption policy presently being administered to be withdrawn and rescinded.

2. That no maximum price shall be established or maintained for any commodity under authority of this act or the Stabilization Act of 1942, as amended, or otherwise, (1) below a price which will reflect to producers, manufacturers, wholesalers, distributors, jobbers, and retailers dealing in such commodity a percentage profit per unit, based on current costs, equal to the average percentage profit per unit earned during the calendar years 1937 to 1941, inclusive, or (2) which will reduce or result in the reduction of trade discounts or percentage mark-ups, with respect to such commodity, below the average established trade discounts or percentage mark-ups applicable with respect to such commodity during such calendar years.

3. That Congress declare the obtaining of production paramount to the maintenance of existing price levels and prescribe legislative standards to assure that price controls be exercised in a manner calculated to secure maximum production.

4. That the appropriate committees of Congress give immediate consideration to legislation restoring jurisdiction to the district courts of the United States to hear and determine any and all questions which may be raised by persons affected by any regulation promulgated under the authority of the Emergency Price Control Act and under the authority of any legislation which may be enacted in lieu thereof.

#### EXECUTIVE SESSION

Mr. HILL. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

#### EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. HOEY in the chair) laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the Committee on Foreign Relations.

(For nominations this day received, see the end of Senate proceedings.)

#### EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. McCARRAN, from the Committee on the Judiciary:

Jacob Weinberger, of California, to be United States district judge for the southern district of California, vice Harry A. Hollzer, deceased.

By Mr. WALSH, from the Committee on Naval Affairs:

Civil Engineer Joseph F. Jelley, Jr., to be a civil engineer in the Navy, with the rank of rear admiral, for temporary service, to continue while serving as Deputy Chief of Civil Engineers, United States Navy, and the Assistant Chief of the Bureau of Yards and Docks.

By Mr. BAILEY, from the Committee on Commerce:

Commodore Merlin O'Neill to be Assistant Commandant with the rank of rear admiral in the United States Coast Guard, for a period of 4 years, to fill an existing vacancy; and

Clarence M. Young, of California, to be a member of the Civil Aeronautics Board for the term expiring December 31, 1946, vice Edward P. Warner.

By Mr. THOMAS of Utah, from the Committee on Military Affairs:

Maj. Gen. Everett Strait Hughes (colonel, Ordnance Department), Army of the United States, for appointment in the Regular Army of the United States as Chief of Ordnance,

with the rank of major general, for a period of 4 years from date of acceptance, vice Lt. Gen. Levin Hicks Campbell, Jr., who retires on May 31, 1946; and

Several officers for appointment in the Regular Army of the United States.

#### NOMINATION OF FRANK M. SCARLETT TO BE UNITED STATES DISTRICT JUDGE, SOUTHERN DISTRICT OF GEORGIA

Mr. McCARRAN. Mr. President, from the Committee on the Judiciary I report favorably the nomination of Frank M. Scarlett, of Georgia, to be United States district judge for the southern district of Georgia, vice Hon. Archibald B. Lovett, deceased, and ask unanimous consent for its present consideration, as in executive session.

Mr. WHITE. Mr. President, if the Senator is asking for the present consideration of a nomination just reported from the Committee on the Judiciary, I feel that I ought to object. Many Senators are absent. I do not know what Senators may be interested in the nomination. I do not know what the interest of any Senator may be; but I feel that a regard for absent Senators compels me to object.

Mr. McCARRAN. Mr. President, will the Senator listen for a moment while I make an explanation?

Mr. WHITE. I am glad to withhold the objection.

Mr. McCARRAN. Mr. President, this place has been vacant for some time, due to the death of a former justice. The Committee on the Judiciary had this nomination before it and gave it 1 week's consideration. No objection was made. The nominee has the whole-hearted support of both Senators from Georgia. Because of the condition of the court docket, and because of certain events which are scheduled to take place in Georgia, I ask unanimous consent for the present consideration of the nomination. Otherwise, I would not ask for an exception to the rule. I hope the Senator may see fit to consent.

Mr. RUSSELL. Mr. President, I hope no objection will be interposed to the confirmation of this nomination. An objection could serve no very useful purpose, and it would cause considerable confusion. A term of the court for the southern district of Georgia is supposed to begin in Savannah on Monday. Due to the fact that the judge who recently passed away in that circuit had not been able to hold court for a long time, there is a very crowded docket, and the public interest demands that the new judge be qualified and assume office as soon as possible.

In addition to the public interest involved, there is also a personal matter, but it is a human matter. Notice has gone out among the members of the bar that the judge will be sworn in on Saturday of this week. Quite a luncheon party has been arranged for the swearing-in ceremonies. If there is any possibility of substantial objection, of course the ceremony could be deferred. It is perhaps a little thing in the Senate of the United States, but it is a large thing in the lives of the in-



dividuals affected. I trust that there will be no objection.

Mr. WHITE. I understand the Senator from Nevada that this is a nomination for United States district judge?

Mr. McCARRAN. That is correct.

Mr. WHITE. In large part, it is a matter of local interest, rather than general public concern. If a banquet has been arranged or is in prospect for any of the citizens of Georgia, I should not wish to feel that I had deprived them of the delights of such an occasion, and I withdraw my objection.

Mr. RUSSELL. I thank the Senator.

Mr. McCARRAN. I thank the Senator.

The PRESIDING OFFICER. The nomination will be stated for the information of the Senate.

The legislative clerk read the nomination of Frank M. Scarlett to be United States district judge for the southern district of Georgia.

The PRESIDING OFFICER. Is there objection to the present consideration of the nomination? The Chair hears none. Without objection, the nomination is confirmed; and without objection, the President will be immediately notified.

#### RECOMMITTAL OF ARMY NOMINATIONS

Mr. JOHNSON of Colorado. Mr. President, I ask unanimous consent that the Senate recommit to the Military Affairs Committee the nominations of approximately 300 colonels which appear on pages 1 to 17, inclusive, of today's Executive Calendar.

Mr. WHITE. Mr. President, will the Senator yield for a question?

Mr. JOHNSON of Colorado. I yield.

Mr. WHITE. Does the Senator's request include all the names appearing in connection with the Army nominations, or only those having before them a cross?

Mr. JOHNSON of Colorado. The request includes all the nominations in the Army.

Mr. WHITE. It includes all of them?

Mr. JOHNSON of Colorado. Yes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Colorado? The Chair hears none, and it is so ordered.

If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar, following those previously disposed of.

#### RECONSTRUCTION FINANCE CORPORATION

The legislative clerk read the nomination of George E. Allen to be a member of the board of directors of the Reconstruction Finance Corporation.

Mr. WHITE. Mr. President, I ask that this nomination be passed over.

The PRESIDING OFFICER. Without objection, the nomination will be passed over.

#### FOREIGN SERVICE

The legislative clerk read the nomination of Raphael O'Hara Lanier to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Liberia.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. HILL. I ask that the President be immediately notified of all nominations confirmed this day.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

#### REFERENCE OF NOMINATIONS AND TREATIES

Mr. HILL. Mr. President, it has been the custom of the Senate to authorize the Presiding Officer of the Senate, when no executive session is held on a particular day, and when there is no objection, to refer nominations and treaties to the appropriate committees. Following this custom and precedent of the Senate, I send to the desk a resolution and ask for its present consideration.

The PRESIDING OFFICER. The resolution will be read for the information of the Senate.

The legislative clerk read as follows:

*Resolved*, That on calendar days of the present session of Congress, when no executive session is held, nominations or treaties received from the President of the United States may, where no objection is interposed, be referred, as in executive session, to the appropriate committees by the Presiding Officer of the Senate.

Mr. WHITE. Mr. President, I believe, as the Senator from Alabama has stated, that this resolution conforms to long-established practice of the Senate, and I see no objection to it.

The PRESIDING OFFICER. The question is on agreeing to the resolution. The resolution was agreed to.

#### RECESS TO FRIDAY

Mr. HILL. As in legislative session, I move that the Senate take a recess until 12 o'clock noon on Friday next.

The motion was agreed to; and (at 1 o'clock and 26 minutes p. m.) the Senate took a recess until Friday, February 15, 1946, at 12 o'clock meridian.

#### NOMINATIONS

Executive nominations received by the Senate, February 13 (legislative day of January 18), 1946:

##### DIPLOMATIC AND FOREIGN SERVICE

Monnett B. Davis, of Colorado, to be a foreign-service officer of class 1, a secretary in the diplomatic service, and a consul general of the United States of America.

Walton C. Ferris, of Wisconsin, now a foreign-service officer of class 3, and a secretary in the diplomatic service, to be also a consul general of the United States of America.

#### CONFIRMATIONS

Executive nominations confirmed by the Senate, February 13 (legislative day of January 18), 1946:

##### FOREIGN SERVICE

Raphael O'Hara Lanier to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Liberia.

##### UNITED STATES DISTRICT JUDGE

Frank M. Scarlett to be United States district judge for the southern district of Georgia.

## HOUSE OF REPRESENTATIVES

WEDNESDAY, FEBRUARY 13, 1946

The House met at 12 o'clock noon.

Rev. Dr. Philip F. Mulhern, Dominican Order, Immaculate Conception College, Washington, D. C., offered the following prayer:

In the name of the Father, and of the Son, and of the Holy Ghost. Amen.

Eternal Father, we come to You to ask Your blessing on this gathering of the lawmakers of our country, whom You have called to take part with You in governing the lives of men. You have chosen these men to be instruments of Your will in making laws which will affect the lives of their own countrymen and of all other peoples. Look down upon them with friendly concern; show them their need for Your guidance; enlighten them with the wisdom and strengthen them with the justice their mighty task demands.

Father of all men, the work of our Congress is Your work; their task is Your task—to bring from the chaos and confusion of today the regulated order of tomorrow. What they do here reaches out from these walls to the far stretches of our own great land and beyond, for here, as to a great light, the prostrate, broken people of the world look. Here they look in hope. Light of the world, kindle here the flame of Your wisdom. Fire these minds and hearts with Your truth which does not pass away that they may truly be a light in this dark world. Lift the eyes of our Congressmen to You that, seeing their great need for guidance in the confusions of the moment, they may seek Your wisdom, which alone endures.

As the sons of this Nation went forth to battle for the justice and liberty which You have freely made the right of all men, so these, our Representatives, gather here to extend and assure that justice and liberty to our own people and to all peoples. As You have blessed and upheld the arms of our soldiers, so bless the works of our Congress. Guide their minds to see the right and direct their wills to follow it. You are the wise and farseeing lawgiver. Share, we beg You, that farseeing wisdom with these, Your servants, the lawmakers of our land. Direct, guide, and enlighten their councils and decisions that this, our Congress, may shed into the lives of our people and of all peoples the light of Your free and generous gifts. Amen.

The Journal of the proceedings of yesterday was read and approved.

#### MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 52. Concurrent resolution authorizing the Joint Committee on the Organization of Congress to have printed for its use additional copies of the summary of hearings, index to hearings, and parts 1, 2,